The Nation's Business

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Hepburn and Bracken Should Smoke Peace Pipe

LAST week, Premier Mitchell F. Hepburn indicated to The Financial Post his belief in and willingness to follow the leadership principle in Canadian public life.

In part he said:

"Canada is ready for the kind of leadership that will inspire and command action to solve unemployment and other national problems."

But Mr. Hepburn's attitude toward Premier Bracken of Manitoba and the whole work of the Rowell Commission is not in character with this statement.

No one who listened to the moderate, considered statement of Premier Bracken at Ottawa this week could doubt the fact that Manitoba is being given leadership of a high quality by its seasoned premier. His rebuttal to the ill-tempered statements in Ontario's brief to the Rowell Commission was reasonable and temperate. It was undeserving of new taunts and protestations from Ontario's chief executive.

* * *

IT IS high time Mr. Hepburn and Mr. Bracken smoked the pipe of peace together.

After all, they are neighbors. They are both heads of great provinces mutually dependent on each other for prosperity; mutually concerned about preserving the national well-being.

If Mr. Hepburn is serious about giving leadership to solve national problems he will take steps to get acquainted with western Canada, British Columbia and the Maritimes. If he knew their problems better he would be less ill-tempered in his comments on the public appeals of men like Mr. Bracken.

* * *

Lord Halifax May Visit Canada and U.S.

IT IS to be hoped that when the King and Queen come to Canada next year they will be accompanied by one or more of his Majesty's ministers. Men whose visit would be most useful are Lord Halifax, Foreign Minister, Malcolm MacDonald, Acting Dominions Minister, and the Duke of Devonshire, who is slated to be the next Dominions Minister.

From London sources The Financial Post learns that it is unlikely Mr. MacDonald can get away, but that Lord Halifax may be able to come. It has already been indicated that the Duke of Devonshire will be in the party.

With Canada acting in the rôle of chief interpreter between the two great Anglo-Saxon powers, there would be a peculiar value in a visit to this country—as well as to the United States—of Lord Halifax and the Duke of Devonshire.

* * *

France Drifts to Its Worst Crisis

THE crisis in France is the inevitable result of policies of drift in that country. The people have been producing less and less and governments have been spending more and more. The supposedly bottomless purse of public money is now empty. The state and local authorities are spending over half of the national income and yet their revenues are falling.

The position can be put thus. The figures represent francs.

National income	250,000 millions
Gov'n'ts spend..	137,000 millions
Revenues total .	85,500 millions
The deficit is ..	51,500 millions

The decrees issued by Premier Daladier and Finance Minister Reynaud are based upon the simple theory that "everyone should work more and that the State should spend less."

* * *

COMMUNIST influences in the French Government have produced the present crisis. Communist agitation is seeking to prevent the imposition of the essential remedies.

If the Daladier-Raynaud three-year programme for the rebuilding of France's economy is now upset by Communist-inspired strikes, then that country faces the possibility of one of two things happening:

1. A Communist seizure of the reins of government and the establishment of a Bolshevist state.
2. The establishment of a dictatorship of the Right to circumvent a Bolshevik régime. This is what happened in Italy and in Germany.

* * *

COMMUNIST and Fascist dictatorships look alike, act alike and are politically almost indistinguishable. They start from different ideas but end up by being the same thing.

The preservation of democracy in France is dependent upon the people accepting voluntarily the largest degree of direction and discipline that is possible under a democratic state.

Canada has not drifted as far from its moorings as has France. But we too need to have our people produce more and our governments spend less.

We too are drifting. We too need direction and discipline in our national affairs to prevent a crisis that will bring us face to face with the choice between two evils—Bolshevism or Fascism.

(Continued on page 2, col. 3)

Great Lakes Appointment Is Surprise

Paper Firm Names Hon. Earl Rowe, Ex-Tory Leader

PLANS UNFRAMED

Hon. Earl Rowe, newly appointed president of Great Lakes Paper Co., told The Financial Post this week that he is still studying the facts and conditions under which the company operates and has not yet had time to formulate a complete policy.

HON. EARL ROWE

He did say, however, that "as far as I can in the interests of the company I will co-operate with the Government." Questioned further on this point he said that this could be taken to mean that Great Lakes would comply with the industry's prorating system so far as possible. Great Lakes is faced with an unusual type of contract with customers and there are limitations which will be difficult to get around.

Early reaction to the appointment of Mr. Rowe indicated a belief that it meant continued opposition of the company to the prorating of production and that the fight was still on with the Government and the rest of the industry. But this is not the case. As the official announcement of Mr. Rowe's appointment stated, his "long experience in matters of public relationship should be of great value to the company." As he enjoys a personal friendship with Premier Hepburn of Ontario, his relations with the Ontario Government are likely to be quite amicable.

Public Surprised

Appointment of Mr. Rowe to the presidency of Great Lakes was received with amazement by investors and those interested in the company, as well as the newsprint industry. It has been expected that an experienced industrialist would succeed Mr. Carlisle, whose direction had been responsible for building up an efficient organization. Evidence of this is seen in the progress made in reestablishing the company's working capital, adding to its capacity without the installation of any more newsprint machines, and lowering costs.

The new president, it is pointed out, is not an experienced businessman, nor has he had any training in the newsprint industry. While the official statement handed out indicates that his chief job will be one of public relations, reaction of the com-

(Continued on page 2, col, 3)

Favorable Year For Huron & Erie

Results For 1938 Expected to be Better Than 1937 or 1936

Results of operations of Huron & Erie Mortgage Corp. for the year ended Dec. 31, 1938, are expected to be more favorable than those of 1937 and 1936, it is reported officially.

While it is somewhat early to make predictions, from present indications, the year is likely to be satisfactory to the mortgage company.

Cash payments of mortgage interest and principal received by the corporation in the year to date are already ahead of last year. Farm mortgage repayments are distinctly better than last year in western Canada, while those in Ontario are said to be running on the same level as last year. Payments on city loans are up to the standard of recent years.

Real estate sales of both farm and city properties have been slow, especially during the past few months and values have as yet shown little or no sign of appreciation.

In the year ended Dec. 31, 1937, after provision for Dominion, provincial and municipal taxes, net profit amounted to $236,990, as compared with $304,553 in 1936.

On the basis of paid-up capital earnings amounted to $4.74 in 1937, as compared with $6.09 in the previous year.

Dominion Stores Considers Buying Stop & Shop Stores

Negotiations between Dominion Stores, Ltd., and Stop and Shop, Ltd., are taking place, whereby the Toronto stores of the latter company may be purchased by Dominion Stores. These talks so far have been confined to general discussions and no definite proposals have been considered, it is officially stated.

By selling these stores it is believed cash would be provided for clearing up the default on Stop and Shop bonds. There have been conversations between the company and bondholders during the past few months to clear up the default situation.

Interest and sinking fund payments due, Apr. 1, 1938, on the first mortgage bonds and interest due Jan. 1, 1938, on the second mortgage bonds, were defaulted by the company. At Mar. 26, 1938, there were $640,000 of 6% first mortgage bonds outstanding, and $80,000 of 6% second mortgage bonds.

Let's Modernize Militia For National Service

Everywhere in Canada people are looking for leadership.

Younger men and women are especially restive. They are tired of hearing political leaders say "It can't be done." They seek the type of leadership which will get things done.

In recent weeks The Post has outlined some of the jobs that badly need doing in Canada. For instance:

(1). The need of preserving national unity by strengthening and speeding the work of the Rowell Commission.

(2). The need of putting idle men to work by implementing the programme laid down by the National Employment Commission.

(3). The need of tackling the "transient" problem so that a wandering tide of men and women will become useful citizens instead of "Reds."

Another need is for Canada to take a searching look at her militia; overhaul it entirely if necessary; use it perhaps as the basis for a National Service Corps which would enlist men and women throughout Canada in a co-ordinated effort toward self-improvement and national well-being.

* * *

Canada is now spending between $15 and $20 millions a year on her militia. Yet, as pointed out in an authoritative article elsewhere in this issue, no one ever thinks of the militia when there is a real job to be done.

Its work and organization are branded as "antiquated," "obsolete." It lacks equipment. It lacks public support. Instead of armories being the centre of community life (as they might well be) they stand cold and friendless throughout most days of the week.

Experience of other countries proves definitely that this need not be.

Britain, for example, scrapped her "militia" as far back as 1911. She put in its place the "territorials," which have been through a thorough "housecleaning" since that time. Today she is using this branch of the public service to teach men and women new trades; to make them better, healthier, stronger, happier and more useful citizens.

* * *

Few will doubt the merit of such a programme. But it would cost money.

Can we afford it?

Not long ago a leading Canadian with a brilliant record in war and public service mentioned some of the things he thought this country should be doing to reorganize its militia and rehabilitate this area of public life.

"How can we afford such a programme?" he was asked.

"Eliminate present waste in manpower and resources," was his reply.

National leadership with plenty of courage would long ago have cleared the decks of the waste, the prejudice and the red tape that prevents such a job being done in Canada.

Ways and means have been found to pay our colossal relief bills each year; to perpetuate our railway waste and similar extravagances. Granted a well-co-ordinated plan to mobilize our human and material resources on a nation-wide scale, is there any doubt that it would gain immediate and enthusiastic support?

Such a plan would attack areas of waste and idleness simultaneously, as it presented definite, constructive policies of a type to capture the imagination and support of Canadians.—especially younger men and women.

In such a programme the rebirth of the Canadian militia and the formation in Canada of a voluntary, nation-wide "service corps" for achievement in peace as well as preparedness in time of war, should play an impressive, commanding rôle.

Ontario Conservatives Ready to Pick Leader

Three Candidates in Field for Next Week's Voting

Ontario Conservatives meet next week to elect a provincial party leader. Col. George A. Drew, who broke with the party organization before the last election, was the acknowledged favorite up to this week, but is now having stiff competition.

Other candidates definitely in the field are Hon. J. Earl Lawson, M.P., former federal cabinet minister, and Wilfrid Heighington, K.C., who lost his Toronto legislature seat in the last election.

Reports that a determined move would be made to draft Hon. G. Howard Ferguson back into leadership are now being discounted. At 68 Mr. Ferguson is unwilling to reenter active politics except on a unanimous party call.

Lawson Entry Surprise

Entry of Mr. Lawson within two weeks of voting on December 9, added complications to the leadership race, which had been regarded as an easy victory for Col. Drew ever since House Leader Leopold Macaulay withdrew several weeks ago.

While his political career has been entirely in the Federal House, Mr. Lawson has taken an active part in provincial campaigns and was mentioned for the leadership at the time that former Premier George S. Henry retired.

He will undoubtedly command the support of the party organization which stood by former leader Earl Rowe in the last election after Col. Drew broke away on the C.I.O. issue. His candidature at the last minute is considered the result of pressure from party sources anxious to prevent the election of Col. Drew on the ground that a victory for Col. Drew would split the party.

Mr. Lawson has made no campaign and his chances of election depend on his own record of early success in politics, the impression he makes at the convention and the strength of the group that is definitely opposed to Col. Drew.

Barring unexpected developments the race will be between Mr. Lawson and Col. Drew.

Col. Drew was the runner-up when Earl Rowe was elected leader after the defeat of the Henry Government. When he clashed with the organization a year ago many predicted that his political career was ended. But among the rank and file of Conservatives there were others who shared the feelings of the Colonel on the C.I.O. issue and a private canvass of opinion some months ago is reported to have shown that Col. Drew had a very large following.

The retirement of Leopold Macaulay from the leadership race and then the refusal of Cecil Frost, president of the Ontario Conservative Association, to run, were taken as further evidence of this.

The Colonel's clash with the organization and his individualistic character are the two points on which opposition to his selection have centred.

Dosco Steps Up Steel Operations

From Our Own Correspondent

MONTREAL. — Operations at Dominion Steel & Coal Corp.'s steel plant during October were the best since last June. Production amounted to 16,000 long tons, as compared with 13,000 tons in the previous month and with a high of 29,000 tons set in May last.

For the first 10 months of this year, Dosco produced 213,000 tons of pig iron, compared with 267,000 tons a like period of 1937.

Highlights of the Week

Canada's militia system is in need of drastic overhauling, in the opinion of a militia officer who has made a close study of the matter.

Our Masquerade Militia—p. 13.

* * *

Though it met at the same time as the tense European crisis in September, the League of Nations made no effort to come to grips with a situation threatening the peace of the world.

The League at Work—p. 17.

* * *

Evolution of a modern air transport service linking Canadian cities from coast to coast, and entirely under Canadian control, is now nearing completion after starting from scratch over a year ago. What progress has been made and the prospect for the immediate future, is reported by a staff writer of The Financial Post.

Canada Builds Air Service—p. 13.

Mass migration of white population within the Empire has dwindled to limited proportions. The problems arising out of this development were discussed at the recent British Commonwealth Relations Conference in Australia, and are outlined in

Immigration Complications—p. 5.

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Sterling Fall Puts Canada In Dilemma

Faced With Problem of Alignment of Currency

ADVERSE EFFECTS

This week the pound sterling was quoted at \$4.68⅛ at Toronto. A year ago it was \$4.99. Last June it was \$5.03. A premium of 3.2% has been changed into a discount of 3.7%, a total decline of 6.9% from the recent high level.

With the currencies of every Empire country but Canada, as well as those of Scandinavia and Egypt, tied to sterling, the importance of the movement is far-reaching, especially for Canada, 46% of whose exports go to Empire countries. While sterling has been falling, the United States dollar has held at a slight premium above our own.

Canadian businessmen are asking: How low will sterling go? Will the Canadian dollar eventually follow it? How will the lower pound affect our external trade? What will be the effect if our dollar remains as close to the United States currency as it has? Will the price of gold be affected?

Vital Factor in Trade

The fact that 89% of our total foreign trade is done with Empire countries and the United States is ample explanation of their interest.

In the calendar year 1937, for instance, total exports of Canadian goods were valued at \$1,111 millions. Of this \$509 millions or 45.8% went to British Empire countries, while \$470.1 millions or 42.3% went to the United States. Exports to the two groups totalled \$978.9 millions.

Of our imports in the same year, totalling \$808.9 millions, \$236.5 millions or 29.2% came from Empire countries and \$490.5 millions or 60.8% from the United States.

Hence a change in sterling will affect our sales more than our purchases, while a change in the United States dollar wil affect our purchases more than our sales.

Agricultural Products

Of our exports to the countries in the sterling group, agricultural products are the biggest single item. Non-ferrous metals and their products come next and animals and animal products in third place.

As regards wheat and similar agricultural products, the lower sterling rate may have a real effect. Prices of grain and other agricultural products exported in large quantities have usually declined on this side along with the pound. A shrinkage in the volume of our exports is not anticipated. But there may be a decline in the money value

Increase Government Loss

If this continues for long it will have an unfavorable effect on our primary producers. Western farmers, it is true, will be protected

(Continued on page 2, col. 1)

Utilities Seen As Major Issue

B. C. Measure Expected to be Main Point in Next Election

From Our Own Correspondent

VANCOUVER.—Control of public utilities will probably be the major issue of the next provincial election in British Columbia. The election may still be a comparatively long way off, but businessmen who have been closely following political developments in this province see unmistakable evidence that Premier Pattulo and his associates are building up utilities control as the paramount issue of the next campaign.

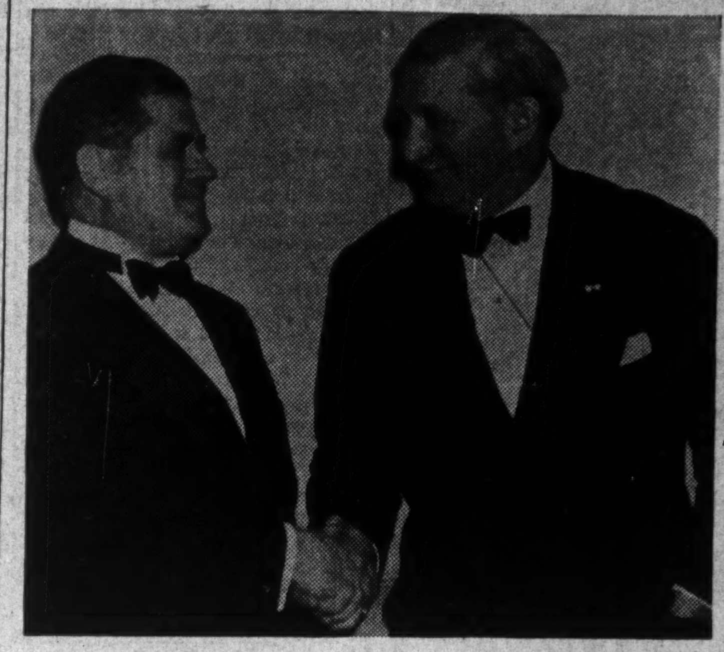
Before the present session of the legislature adjourns there is pretty certain to be a public utilities bill on the statutes. The nature of that bill is still indefinite, but there is good reason for believing that thoroughgoing control of utilities will not be attempted in this province until election time draws near. So many complications are involved that the commission appointed to regulate utilities will probably require at least a year to prepare the groundwork of its operations.

Already, since the present session of the house began, the original draft of the utilities bill has been amended in several important particulars. The original draft, for instance, gave the Government power to declare any business a utility within the purpose of the act, and this led to the widely held assumption that the Government was seeking dictatorial power over commerce and industry — a theory that was strengthened immeasurably by the Government's attitude toward the oil companies. It was also intimated that it would be a one-man commission and that Dr. W. A. Carrothers, head of Mr. Pattullo's economic council, would be it.

Blanket Clause Out

Now, however, the objectionable blanket clause including all businesses has been stricken out, and the Government has given assurance that the commission will have three members. Business interests are averse to the prospective appointment of Dr. Carrothers; they would prefer technical experts and engineers and at least one practical industrialist.

There are indications now that business will be respected in its demand for an engineer as one member. There probably will be a place for a lawyer, too. The chairmanship, all-important, is uncertain.



Over 50 top ranking automotive executives attended the National Motor Show in Toronto this week. Above, K. T. Keller, president of Chrysler Corp., greets big William S. Knudsen, president of General Motors Corp.

Clean Sweep Now Seen of Import Excise Tax

Complications Make Complete Abolition Likely Ottawa Course

From Our Own Correspondent

OTTAWA. — Final abolition of Canada's 3% excise tax, now applicable to all non-British imports is predicted as the move reserved for Parliament in the Canadian-American trade agreement.

The Government has already committed itself to amend the Excise Tax measure sufficiently to remove it from the 447 items of American import mentioned in the tariff schedule. It is believed likely that Parliament may be asked to go farther than this.

The 3% excise tax, imposed as a revenue measure during the Bennett regime has yielded from \$15 to \$16 millions yearly. It has come to be recognized, however, as part of Canada's protective tariff wall.

Washington is understood to have emphasized this side of the picture. It has always held that its removal from British imports made the tax a discriminatory tariff. Even before the opening of negotiations Ottawa realized that a wide concession must be made in this direction. Such a move was forecast by The Financial Post as early as last January.

Complications

While the American Government is apparently satisfied with the action promised, the Canadian Government now finds itself in a vulnerable position as far as its own manufacturers are concerned.

One example of this is the iron and steel industry where finished products because they are included in the tariff concessions will be exempt from excise, while iron ore and other components continue to be taxable.

An even more striking case is the automobile industry. Finished automobiles were included in the schedule of concessions. Auto parts were not mentioned in the treaty. Hence importers of finished cars would have an advantage over Canadian manufacturers.

It was believed at first that these parts had been deliberately omitted in order to continue the 3% protection for building the industry in southern Ontario. Motor manufacturers who visited Ottawa last week, however, were assured that it was simply another of the anomalies which the excise tangle has created and that it would be remedied.

Mr. Dunning's statement of last week that: "The Government will make certain when the necessary legislation is introduced that it will be of such a character as to eliminate any unfairness that might otherwise be expected to result from the exemption from the tax of the particular articles enumerated in the agreement," is regarded as assurance the tax will be removed from raw materials entering into products from which the tax is removed under the treaty provisions.

Fraser Cos. Pulp Business Widens

From Our Own Correspondent

MONTREAL. — Fraser Companies pulp business is showing steady improvement. While operations are still under the high point set in the early part of last year, they compare favorably with the returns in the closing months of 1937.

The new U. S.-Canada Trade Treaty may help the company's lumber sales, though it is still too early to make any definite forecast. However, elimination of the marking of the lumber is regarded as being a help.

Waite Reports 3 Million Tons

Copper Grade is 6.24% Murdoch Tells Shareholders

Drilling on the new ore body at Waite Amulet has indicated tonnage of 3,158,260, running 6.24% copper, 4.65% zinc, 0.05 oz. gold and 1.62 oz. silver, according to a comprehensive report to shareholders just issued by President James Y. Murdoch.

Recent drilling has approximately doubled the size of the ore body, this report would indicate.

A special meeting of shareholders to consider proposal of the directors for increasing capitalization to provide for mill construction, is called for Dec. 15 at 2.15 p.m.

Report of Thomas E. Little, manager, is as follows:

"Some 30 drill holes have been completed to date in the exploration of the new lower 'A' ore body on the Amulet section and, while some additional drilling will be done, it is thought that the probable tonnage in this ore body has been fairly completely determined.

"The total ore reserves are estimated to be 4,208,260 tons.

"At the middle of the year the copper ore reserves on the Waite section were estimated at 450,000 tons and, although 13,500 tons have been extracted since that time, the reserves are now estimated at 480,000 tons, due to extension of the old ore bodies.

"Three diamond drills are exploring ground immediately west of the 'A' ore body area, where geological conditions appear to be similar.

"Development of the lower 'A' ore body will involve a new shaft near the present mill, a 2,000 foot crosscut

(Continued on page 2, col. 4)

C. S. L. Holds Earning Power At Good Level

May Earn 50 to 75 Cents on Preferred — Traffic Was Varied

SEASON NOW ENDING

From Our Own Correspondent

MONTREAL.—Canada Steamship Lines boats will tie up for the season over the present week end. Passenger boats already have been docked. The last packet freight moved out of Montreal about the middle of the week, while the bulk freighters are making their last run.

Operating returns will not be complete for another two or three weeks and what the company will be able to show on its capital stock in the way of earnings will depend upon earnings in the last five weeks.

Up to the beginning of November revenues were sufficient to cover bond interest, depreciation and other fixed charges. Profits on the preferred stock, judged by past experience, may run as much as 50 cents a share and possibly as high as 75 cents a share.

Had Varied Season

On the whole the season has been a satisfactory one for the company judged by the number of unexpected developments which took place. At the opening of navigation, prospects were not overly promising due to the lack of grain in store.

Then for a time all the bulk freighters were busily engaged in handling American corn. The short crop in the Argentine and the restriction on exports from South Africa, combined with a bumper crop in the United States, caused a heavy movement of corn from the middle-western States to Europe.

Canada Steamship Lines secured a large proportion of this traffic which kept the bulk freighters busy up to mid-season. This "windfall" was a great help, but was offset in part by the decline in iron ore and coal carryings.

Following the corn movement there was a period of relative quietness when the new wheat started to move. The prospect of war in Europe created a good demand and the demand for charters was brisk till toward the end of September. Higher freight prices prevailed. Rates advanced sharply until pegged by the Wheat Board. A number of shippers are understood to have held back chartering in the hope of getting much higher prices, but as far as Canada Steamship Lines is concerned, the company is understood to have taken the business at the going price.

Big Year in Prospect

Had the iron ore and coal movement been as large this year as was the case in 1937, the bulk freight business of C. S. L. probably would have been on an appreciably higher scale. However, the lack of this business and the slowing down of the export wheat movement after September tended to keep down earnings of this division.

The packet freight business is said to have held up satisfactorily this year.

One of the greatest disappointments experienced by the company this year was in its passenger traffic.

The failure of passenger traffic to materialize naturally had its effect on hotel operations. However, this division experienced a fair year.

Preliminary indications are that net earnings will be in the neighborhood of \$1.8 million, compared with \$1,969,699 in 1937 which, in turn, was the best year since 1929. After taking care of fixed charges and reserves, last year's net profit was equal to \$1.03 a share on the outstanding preferred stock. Depending upon how revenues have shaped up in the past month, indications are that for 1938 the company will show better than 50 cents a share. Under the plan of reorganization this means that the company would pay out half of the net profits in dividends or 25 cents a share, as against 50 cents a share in 1937. In the event that earnings are as much as 75 cents a share, the dividend would amount to 37½ cents a share.

Public Waste — No. 2

Dining Car Arithmetic

Nearly everyone in Canada—yourself for example — knows about the national railway problem.

Perhaps you can't tell in dollars and cents how much money is being wasted or lost. At least you have a rough idea that there are too many railway lines, too many stations, too many telegraph offices, etc.

You probably know that the waste and extravagance of running unnecessary or duplicating railway systems costs money—money which comes out of your pocket by way of taxes—whether you use the trains or not.

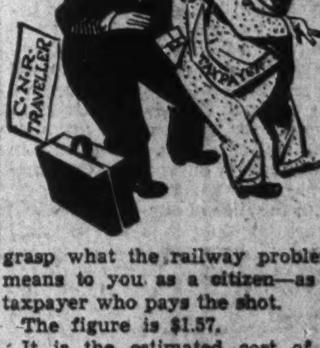
But how much money?

That's the thing that hasn't been grasped.

If it had been, the waste wouldn't last long, for public common sense (and there's still lots of it in Canada) would soon find a way to stop it.

* * *

Tucked away in the report of the Senate committee which started to probe the railway problem last year is a figure you should remember. It may help you to grasp what the railway problem means to you as a citizen—as a taxpayer who pays the shot.



The figure is \$1.57.

It is the estimated cost of a dollar's worth of dining and buffet car service on the Canadian National Railway in 1937.

What it means is simply that the Canadian National Railways in that year gave \$1.57 worth of food and service for \$1. The difference came out of the public purse—your purse.

Of course the C. N. R. wasn't alone in giving \$1.57 worth of service and food for \$1. The C. P. R. was almost as generous. A similar reckoning for the same year says they gave \$1.42 worth of food and service for every dollar of revenue.

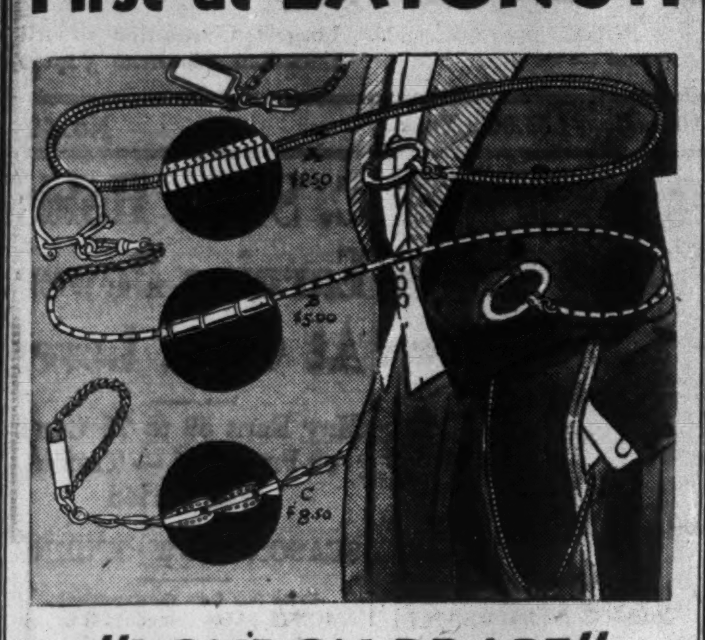
But the C. P. R. is a privately owned company. If it wants to give away 42 cents worth of food and service as a "loss leader" item with every dollar's worth you buy on its dining and buffet cars, it must either make up the loss somewhere else or go bankrupt.

But C. N. R. losses — as you know—can only be met from the public purse—by higher taxes for you and me. Being a publicly owned enterprise it merely charges its losses to taxpayers and lets us foot the bill.

This, of course, makes unfair competition for its privately owned rival—but fundamentally it is the essence of the Canadian railway problem, because sooner or later public common sense will rebel at giving railway passengers \$1.57 worth of service for \$1, and charging the balance to public account.

You, as a Canadian taxpayer must help cut out public waste of this sort.

First at EATON'S..



"LONDON DRAPE" DRESS CHAINS

For high waisted dress trousers a longer dress chain. A chain of rhodium plate in round or square design — made 6 inches longer to loop gracefully from the higher waistline. A—EACH 2.50. The same in natural gold colour. EACH 5.00.

Other Chains in Standard Lengths as Follows:

AT 2.00 — Snake link chain with identification disc in rhodium plate. Not illustrated.

AT 3.50 — Round or square snake chain in gold colour. Not illustrated.

AT 5.00 B — Romona link in gold colour with detachable key ring.

AT 8.50 C — Gold coloured chain in the well known Simmons quality.

AT 15.00 — A real aristocrat! Square snake chain in gold colour Simmons quality. Not illustrated.

PHONE TR. 5111 OR TR. 4111
JEWEL SHOP
MAIN STORE — MAIN FLOOR — YONGE STREET.

THE T. EATON Co LIMITED

Sterling Fall Creates Problem

(Continued from page 1)

against loss by the guaranteed price on wheat, but that will only make the deficit of the Dominion Government the greater.

In regard to livestock, a lower price for bacon, for instance, would naturally react on the producer. Already it is understood there has been some reflection of the lower pound.

Canada always sells her gold where she gets the best price. The best market recently has been in New York owing to the premium on New York funds. At present the premium is about sufficient to pay the government handling charges. But if the Canadian dollar were tied to the pound and went down with it then the premium in New York would be over 3% today instead of about ⅝ of 1%. But if the pound became stabilized at somewhere around $4.25 to $4.50, as has been suggested, the premium in New York would be proportionately greater. This would mean that every ounce of gold sold by Canadian mines in the United States would be worth the treasury's buying price plus a premium equal to the premium on United States funds, which might result in Canada receiving a price well over $35 an ounce and the highest in its history.

It is suggested that Washington might again raise the price of gold as a protective measure, to bring the dollar in line with the pound. If and when that happened, what would be the result—as far as the gold producers are concerned? Is it unreasonable to expect that a second revaluation would have the same effect as did the first?

The decline in sterling may also have an indirect effect on our trade with the United States. For instance, in recent weeks United States publishers have been buying more of their newsprint from countries other than Canada, especially Sweden. A lower sterling rate would make such newsprint purchases easier.

Government's Attitude

Another side of the question is the attitude of the Canadian financial authorities.

Are they supporting the Canadian dollar now? If so, will they continue to do so? If not, what are the factors that have held the Canadian dollar where it is while sterling has declined? Is the Government likely to depress the Canadian dollar artificially in order to bring it closer to the pound?

It is generally agreed that while the pound last spring at over $5 was too high, and that there are certain trade factors at work which would keep it from going above par or might even send it lower, political influences dominate. These have caused a tremendous flight of capital which has, of course, helped to weaken the pound. One authority on exchange matters discussing the matter with The Financial Post stated that if the European political horizon were cleared the pound probably would come back almost to par.

Trade Balance Improving

The United Kingdom for some time has had an adverse balance, but recent reports have indicated some improvement. On the other hand, there has been the armament program, which will result in curtailing exports and increasing imports. It is regarded as likely to result in an unfavorable budgetary situation.

Differences in the situation on this occasion and others when the pound broke, such as in 1920 and 1931, are that on those occasions the decline was the result of the bursting of a business boom. This time there has been no collapse of a boom.

Strength in the Canadian dollar, if not due to support from the Bank of Canada, may be due to a number of factors:

(1) This is a season of the year when Canadian funds usually are strong owing to the shipment of our wheat abroad.

(2) A reduction in the volume of outstanding Canadian bonds payable in currencies other than Canadian. It has been estimated by the Bank of Canada that the amount of bonds so payable was reduced by $358.1 millions between January 1, 1936, and Sept. 30, 1938.

(3) A substantial new foreign investment in Canadian securities.

(4) A favorable balance of trade on ordinary merchandise.

(5) Comparative freedom from such political disturbances as are affecting the pound.

That Canada is not entirely free from the last factor, however, is evident from the fact that on Sept. 28, when the crisis was at its height, the pound sterling dropped below $4.70 and the Canadian dollar went to a discount of 3% under New York.

Since the trade treaty was announced there has been talk of an exchange agreement being reached as a natural result of the pact.

Might Reopen Negotiations

The trade pact itself contains a clause saying that if there should be any serious unsettlement of the exchange situation, either party to the treaty would have the right to reopen negotiations. This, however, is a clause which Secretary of State Hull always has inserted in his treaties.

What will happen now depends on a number of factors. In the first place, it remains to be seen whether the pound will stay at or below its present level. If it does, it is just possible that the United States may seek to reopen the trade treaty. In addition, it is arguable that the decline in sterling has just about nullified the effect of the concessions given by the United Kingdom to the United States.

Canada on her part may depress her own dollar to bring it more closely in line with the pound. It has usually been accepted that in the event of a wide disparity developing between exchange on London and that on New York the Canadian dollar would follow the pound. While it has not been doing so in recent months it is possible that if the pound became stabilized well below par the Canadian dollar would follow it down.

This possibility has been discussed in previous articles in The Financial Post. Among the reasons advanced for the Canadian dollar following the pound is the fact that such a large proportion of our export trade is done with the sterling bloc. Further support for this view is had in the belief that relations between Canada and the United Kingdom are such that while certain factors such as European politics may be slower in making themselves felt on our exchange than on sterling, they will eventually do so.

Manitoba's Protest

In the brief submitted by Manitoba to the Rowell Commission some months ago it was argued that the Canadian financial authorities, by not depreciating the Canadian dollar to an even basis with the Australian pound in the export market between 1931 and 1936, cost the western farmer millions of dollars. Western Canada at that time had to sell its products at a depreciated market, while eastern Canada, which finds a market for many of its products in the United States, was selling in a market with an appreciating currency.

With the time of our heavy export of wheat passing it is possible that there may be a weakening in the Canadian dollar, while any easing in the political situation would undoubtedly strengthen the pound, bringing these two currencies together.

OPENS MARITIME OFFICE

Laurence Smith & Co. has opened an office in Saint John, N.B., under the management of John E. McCready, formerly sales manager and director of Eastern Securities Co. Opening of this office gives Laurence Smith & Co. a chain of investment offices from Vancouver to Saint John.

The Nation's Business

(Continued from page 1)

Canada and the Americas

SECRETARY OF STATE HULL has again sailed for South America, this time to attend the conference of American states to be held in Lima. There have been many such Pan-American conferences in recent years but Canada has not taken part in any of them. The latest ones, at Montevideo in 1933 and at Buenos Aires in 1936, were particularly valuable in strengthening the spirit of "Good Neighborhood" on this continent.

The C.C.F. thinks Canada ought to have a delegate at the Lima conference. Ottawa, of course, will not appoint one. The traditional policy of this country has been to hold aloof from Pan-Americanism lest it involve us at some future time in commitments that would embarrass us in our relations with the British Commonwealth of Nations. But times have changed and there is a new line-up in the world. The proposal that Canada associate itself at least with the technical, informational and cultural services of the Pan-American Union, and send a delegate to the conferences, even if only as an observer, is worthy of being debated by Parliament.

• • •

PRIME MINISTER MACKENZIE KING welcomed the undertaking by President Roosevelt to protect Canada against foreign invasion. Have we any right to accept the advantages of being part of the Pan-American group without even considering our responsibilities?

Canada is a member of the British Commonwealth of Nations and yet it reserves the right to decide for itself whether or not it should involve itself in any quarrel of Britain or the Empire. We are a member of the League of Nations and have accepted no advance commitments to impose military or economic sanctions or to admit any interpretation of the League's covenant except our own. Membership in the conference of American states could hardly commit us more than our membership in the other two groups of states.

The question has been thoroughly investigated by competent students. Those who would like to add up the pro's and con's of Canadian participation in the Pan-American conferences would find useful material in "Canada and the Americas," by F. H. Soward; "Canada Looks Abroad," by Mackay and Rogers, and "The United States and the Commonwealth," by George Luxton. All have been published by the Canadian Institute of International Affairs, Toronto.

• • •

Young Men Needed for Leadership

MEN over fifty should begin to consign more and more of their active daily work to promising young men of junior years.

This was the sage advice given the National Association of Cost Accountants in Rochester recently by C. L. Burton, president, Robert Simpson Co.

"Retail distribution is only part of the great fabric of business. If it is to proceed successfully the young and not the old among us will do the job, but if we, as we now do, disregard the practices of getting them to work early in life, we shall not only have 125% per annum turnover in staffs, but we shall have chaos."

Mr. Burton practices what he preaches. Though only 62 himself, he has already handed over the "active daily work" of his own company to his son, a young man of 35, who earned his merchandising spurs as a youngster by quitting college and going to work in a big U. S. department store.

The lesson is one that should be learned by political leaders in Canada as well as by business leaders. It is to Canada's young men that we must look for leadership.

Great Lakes Appointment

(Continued from page 1)

pany's securities to his appointment shows that investors are disturbed at the possible outcome. There is a definite feeling that the whole story has not been told and that there is more behind the appointment than has been made public. Investors feel that they are entitled to more information.

Mr. Rowe is a member of Parliament, a position he has held for a number of years. He acted for a time as leader of the Ontario Conservative party but did not hold a seat in the Ontario house.

Carlisle Out

The appointment of the new president ends the connection of the former president, C. H. Carlisle, with the company. Mr. Carlisle's resignation was handed to the company directors on Nov. 7, 1938, and accepted by them on the same date.

The Financial Post is informed that the operating staff of the company will not be disturbed. It is understood that no further changes in the board of directors are expected. L. J. Heit will continue as general manager and Charles England as secretary-treasurer of the company. The staff that is already there has contributed to the efficiency of the Great Lakes operations and its continuance should be reassuring to security holders.

Company officials are unwilling to hazard any forecast as to what effect on the company's earnings the looked-for changes in its sales will mean. Opinion generally seems to be, however, that nothing will be done to endanger the company's ability to cover bond interest during normal periods and that there may be chances of a balance of earnings for the preferred shares.

Prorating Retroactive

Hon. Peter Heenan, Ontario Minister of Lands and Forests, informed The Financial Post that he was well pleased with the progress being made in negotiations with the company. He stated that the new president had been in to see him and had signified his willingness to carry on and follow the plans of the newsprint industry so far as was in his power.

There are matters still under negotiation, however, that will have a vital effect on the company's future. According to Mr. Heenan, Great Lakes shipped about 16,000 tons of newsprint over and above the amount that the company would have been able to ship in the first 11 months of 1938 if it had been conforming to the prorating plan. He indicated that the Ontario Government plans to make its enforcement of prorating on the company retroactive to the beginning of 1938.

This means that some way has to be found, not only of assuring that Great Lakes will regulate its production and shipments to the average of the industry in future, but also will work out some method whereby this 16,000 tons of "overshipment" can be adjusted with other producers.

Sir John Aird Dies Suddenly in Toronto

Sir John Aird, former president of the Canadian Bank of Commerce, died suddenly at his home in Toronto on Nov. 30. Although 83 years of age he had been in relatively good health. He was at his office at the bank the day before he died and attended a meeting of directors late last week.

Born at Longueuil, Que., Nov. 15, 1855, he was engaged in railway work for eight years before entering employ of the bank in November, 1878. He was assistant general manager 1911-1915, general manager 1915-1926, elected vice-president in 1920 and president 1924. In Jan., 1937, he retired from the presidency, though remaining a member of the board of directors. He also continued to serve as a director of various industrial and financial concerns.

In 1929, Sir John headed the royal commission which surveyed radio boardcasting in Canada and recommended government control.

Bldg. Products May Split Stock

A special meeting of the shareholders of Building Products Ltd. is being called for Dec. 14 to consider subdividing class A and B shares of no par value into four shares without par value, and granting class A shares voting right, hitherto restricted to class B shares.

In a letter to shareholders it is stated the reclassification and four-for-one split of the company's shares will give wider distribution to the shares and consequent benefit to the company.

Upon adoption of the by-laws the new capital of the company will consist of 483,384 no par value shares, all of one class and all carrying equal voting rights.

The present company resulted from the merger of Bird & Son and the Ruberoid Co. in 1925, and at that time it was found necessary to create two classes of stock. Later the shareholders of the Ruberoid Co. disposed of their holdings of the shares of Building Products. Their class A non-voting shares were distributed to the public. Their class B voting shares were for the most part acquired by Bird & Son Inc. and officers and directors of Building Products Ltd.

The company experienced a good year in 1937, with net profit of $362,985 being the highest since 1930, and compares with a net profit of $271,119 in 1936. Earnings on the A and B shares in 1937 were $3. Dividends paid in 1937 amounted to $2.45 a share, as against $1.95 a share in 1936. The regular dividend rate was increased to $2 a share from $1.40 on Oct. 1, 1937. An extra of 25 cents a share was paid in Oct., 1937, and 50 cents on Jan. 3, 1938.

Waite Reports 3 Million Tons

(Continued from page 1)

from the new shaft to the ore body, haulage drifts and a ventilating and service shaft at the ore body. It will also necessitate mine plants at the new shafts and a new mill with a daily capacity of 1,000 tons. Production from the older ore bodies will be continued and will be handled in the old mill until the new mill is ready. Current production is at the rate of 425 tons daily.

"It is estimated that the sum required for mine development, mine planets and mill, also provision for general exploration and increased working capital is $1,800,000."

In his letter to shareholders, President Murdoch states:

"In the semi-annual report Aug. 16, an estimate of profits for the first six months of the current year of $100,450 was made without including any value for some 13,000 tons of zinc concentrates then stockpiled. While the zinc then stockpiled and subsequent production of zinc concentrates have not yet been marketed, your company continues to operate at a profit and directors expect that unless there is a severe decline in the market price of copper the company will continue to operate at a moderate profit during the period required to bring into production the new plants and ore from the lower 'A' ore body."

Ottawa Aiming To Call Parley On B.N.A. Act

No Action Will be Taken on Royal Commission Report Until 1940

N. B. SUBMISSION

From Our Own Correspondent

OTTAWA.—There will be no adjustment of Dominion-provincial financial relations or amendment of the B.N.A. Act until 1940 at least.

The report of the Royal Commission on Dominion-Provincial Relations will not be available until the coming session of parliament is well advanced. March 1 is set as the earliest possible date by which the commission can complete its report. It will probably be later now that it is evident no action will be taken at the coming session.

Present indications are that adjusting Dominion-provincial relations is to be a long-drawn-out process. The intention of the Federal Government is to submit the report of the commission to the provincial governments for their consideration. Following this a conference of the Dominion and Provincial Governments will be held to devise means of achieving adjustments suggested by the commission.

Report Should Be Good

The commission's report should be a good one. Numerous and excellent suggestions have been made with a view to improving the governmental set-up, achieving a better balance in Dominion-provincial relations, eliminating inefficiency and waste, and removing duplication in services and taxation. In addition, the commission has had its own experts studying various aspects of Dominion-provincial relations.

Its task, however, is not an easy one. There is a wide difference of opinion in this country as to what position the Dominion and the provinces should occupy in the governmental set-up. Business organizations are largely in favor of greater centralization through an increase in the powers of the Federal Government. The studies of the commission's experts also favor greater centralization. But a recommendation by the commission for a large increase in powers of the Federal Government would only arouse the opposition of several of the provinces. In short, it is likely to consider what is politically possible in suggesting a revision of the governmental set-up.

Rowell's Retirement

On every hand it is felt the enforced retirement of Hon. N. W. Rowell as chairman of the commission is a blow to its prestige. The report will certainly carry less weight than if he had been able to continue his duties.

While the recommendations of the commission will not be available until March 1 at least, part of its report may be available early in the year. The report will be in several parts and Part I is to be a statement of conditions as found by the commission.

Studies made by the commission's staff will probably be released early in the new year. These were sent out to the provinces several weeks ago for criticisms so that it should be possible to put them in final form in the near future.

Additional Briefs

Supplementary submissions by New Brunswick, British Columbia and Prince Edward Island at final public sittings of the commission here did not add a great deal to the mass of evidence the commission already had on hand. British Columbia presented additional argument in support of its claim that it should have been given a larger debt allowance when it entered Confederation. Prince Edward Island endorsed the principle of contributory old age pensions.

New Brunswick's supplementary submission stressed the "compact" theory of Confederation. New Brunswick argues its difficulties are due to failure of the Dominion to live up to the "compact." The brief, in fact, states: "Parliament has erroneously assumed that its duty is toward the people of Canada generally. Its duty is toward the provinces, as provinces."

The principal breach of the compact claimed by New Brunswick is in connection with Maritime ports and the Intercolonial railway. New Brunswick feels that additional port facilities should have been provided at Saint John and Halifax and trade developed through those ports.

C. N. R. Opens New Line Val d'Or to Noranda

From Our Own Correspondent

MONTREAL.—New names are being added to the time tables of Canada by the opening for traffic of the Senneterre-Val d'Or-Noranda branch of the Canadian National Railways on which through passenger train service begins on Monday, Dec. 5. Stations include Malartic, Heva, Cadillac, Bousquet, Joannes, McWatters and Noranda, 101.6 miles from Senneterre.

New train services become effective on Monday. No. 237 will leave Senneterre daily except Sunday at 11.50 a.m. following arrival of train which left Montreal and Quebec the previous night, and arrival at Val d'Or is timed for 1.20 p.m. and Noranda at 4.30 p.m. to connect with "The Northland" which leaves Noranda daily at 6.10 p.m. for Toronto.

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Printers, Publishers Hit By New Trade Agreement

By H. A. NICHOLSON
Editor, Canadian Printer and Publisher

Who, in Canada, will pay for the benefits to be derived by Canada from the new trade agreement? Mainly Canadian industry, and that includes printing and publishing.

Printers feel that they have been called upon to make undue sacrifices while securing only minor compensation. The president of a large Toronto printing house said: "Premier King has again sacrificed the printers and publishing business to an extent that is more than alarming."

An independent and competent observer states that "no other industry has been struck as hard."

Some Principal Items

Main items adversely affecting printers and publishers are:

Advertising and printed matter when imported in individual packages valued at more than $1. Free, under new agreement; present rate, 2 cents an ounce.

Labels for cigar boxes, fruits, vegetables, meats, fish, confectionery or other goods or wares; shipping price on other tags; tickets or labels, and railroad or other tickets whether lithographed or printed, or partly printed, n.o.p. New rate, 27½%; present rate, 32½%.

Bank notes, bonds, bills of exchange, cheques, promissory notes, drafts and all similar work, unsigned cards and other commercial blank forms, printed or lithographed, or printed from steel or copper or other plates, and other printed matter, n.o.p. New rate, 27½%; present rate, 32½%.

Pictorial post cards, greeting cards and similar cards or folders. New rate, 30%; present rate, 32½%.

Papeteries, envelopes, and all manufactures of paper. New rate, 27½%; present rate, 32½%.

Periodicals, publications, unbound or paper bound, printed and issued at regular intervals, not less frequently than four times a year, and bearing date of issue. Free under new agreement; present rate, free and up to 22½%, based on amount of advertising in each publication.

Immense Volume from U.S.

Total value of books and printed matter imported from the United States for the last fiscal year was $12,134,229. In 1937 the value was $9,604,884. Imports for the same period from the United Kingdom were valued at only $2,235,682.

The separate values of some of the principal items imported from the U.S. follow:

U. S. Imports
(Some of the principal items in new schedule)

	1937 $	1938 $
Advertising & printed matter, etc.	1,323,319	1,463,450
Bank notes, etc.	426,198	438,423
Labels, etc.	87,532	90,967
Pictorial and greeting cards	414,926	481,374
Periodical publications, magazines & newspapers	4,507,233	6,261,241
Total	6,759,198	8,735,455

Excise Off Machinery

Elimination of the excise tax on printing machinery from the United States is the principal compensation given printers. Total imports affected were valued at about $3,000,000 for the year ending March, 1938.

Printers, lithographers and others who bring in paper from the U.S. are benefitted on certain items. Coated paper is reduced from 32½% to 27½%, and excise tax is eliminated. Imports from the U.S. in 1938 were valued at $48,785. However, imports of coated paper are said to have greatly increased in recent months.

Imports of paper of all kinds, not otherwise provided for, and which include glazed or unglazed surface coated papers amount to a larger figure. For the year ending March, 1938 the value was $248,392. Only the excise tax is removed. The duty remains at 22½%.

A number of firms fear that increased competition will handicap their business to the extent that labor will be materially affected.

Printers and lithographers are particularly concerned over tariff item 178a covering advertising and printed matter. The duty rate at present is 12½ cents per pound, or 27½% ad valorem, but with the added provision that single packages with a value up to $25 must bear a two cent revenue stamp for each ounce. This single package provision has been wiped out in the new schedule by a clause permitting single packages to come in free of duty when valued at not more than $1. Under this provision there is nothing to prevent Canadian branches of American firms having their catalogues and other material printed along with the U.S. edition and mailing them to Canadians in individual packages? Window and counter display cards, valued at $1 or less, could also be distributed in the same way.

Magazines

As a result of the removal of the excise tax on U.S. publications, Canadian magazine publishers are definitely facing increased competition. The duty imposed by the Bennett Government was eliminated by the King Government in the treaty of 1936. That change opened the door to a flood of American publications, especially the more lurid type. In 1937 the value of U.S. magazines and newspapers imported was $4,507,233. In 1938 it jumped to $6,261,241.

Canadian magazines, as a matter of fact, have always urged the entire elimination of duty and taxes Though tariff and tax barriers would be helpful in competition with American publications, Canadian publishers have not urged them. Free access to raw materials is regarded as more essential.

Greeting Card Industry

The greeting card industry stands to be seriously affected. Canadian manufacturers have had their protection lowered while the United States continues to levy a duty of 45% against similar Canadian goods.

While the duty has been lowered on the finished cards there is no reduction of duty in plates and only the excise tax has been taken off paper.

Greeting card manufacturers, too, are as much concerned as printers about the new regulation covering advertising and printed matter in individual packages. Under the new provision, personal greeting cards up to a value of $1 may be sent through free of duty on orders taken by agents in Canada.

Dominion Glass Boosts Profits

Earn $8.24 on Common, Up from $6.92 — Best in Many Years

From Our Own Correspondent

MONTREAL. — Dominion Glass Co. reports earnings of $8.24 a share on its common stock for the year ended September 30, 1938, as against $6.92 a share the year before.

Gross revenue for the year was $709,898, up from $619,867 in the previous fiscal year. The gain was entirely due to larger operating profits, as income from investment was off sharply. Net profit available for dividends totalled $532,579, compared with $476,248.

Improve Working Capital

The balance sheet reflects the expansion in earning power. Both inventories and accounts receivable are moderately higher at $1,507,829 and $1,174,829, respectively. Holdings of Dominion Government bonds dropped from a book value of $175,244 to $120,781, while investment receipts increased from $250,000 to $500,000. Cash declined from $242,159 to $186,095.

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Issued	Sold to	Rate	Due	Amount	Price	Yield
New Glasgow, N.S.	Nov.	R. A. Daly & Co.	4%	15-yr.	$45,000	105.03	3.56%
North York Twp., Ont.	Nov.	Harrison & Co.	4½%	1939-53	51,000	100	.....
Port Arthur, Ont.	Nov.	Mills, Spence & Co., and Bk. of Montreal.	4%	1939-57	199,680	103.08	3.58%
Grand'Mere, P.Q.	Nov.	Banque Can. Nationale	4%	30-yr. ser.	15,000	98.56	.....
Mun. of Riviere de Moulin, Co. of Chicoutimi, P.Q.	Nov.	Corp. de Prets de Quebec	4, 4¼, 4½%	.....	20,000	100	.....
Ville de Matane, P.Q.	Nov.	Corp. de Prets de Quebec	4%	1939-50	200,000	*100	.....
Nepeau Twp., Ont.	Nov.	Privately	5%	1938-68	295,337	.....	.....

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issues—	Date Issued	Offered by	Rate	Due	Amount	Price	Yield
Nova Scotia Power Commis'n (Guar. by Prov. of Nova Scotia)	Nov.	Bank of Montreal and Syndicate	2, 2¼, 2½, 3%	1939-44	$1,000,000	101.39	2.40%
Stock Issues—							
National Gypsum Co.	Nov.	Cochran, Murray & Co., and U. S. Synd.	$4.50	Pref.	60,000 shs.	100	.....
Nu-Wall Industries	Nov.	H. D. Bellinger & Co., and Syndicate	....	Com.	156,265 shs.	$1.75	.....
American Security & Fidelity Corp.	Nov.	Laurence Smith & Co.	....	Com.	230,000 shs.	$2.00	4.30%

*Offering price.

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London Calling

by Atticus

Columnist Sees Trade Treaty as Admirable Agreement —Confusing Picture of Feeling Toward Chamberlain

DR. DIECKHOFF

KING CAROL

LONDON.—In spite of man's indifference to raiment there is no question but that clothes profoundly affect character. One might almost go as far as to say that we are what we wear. What man who turns up in a dinner jacket and finds himself the only one not in tails does not feel himself physically and spiritually shrinking? Who would enter the Royal Enclosure at Ascot in plus fours and not feel an affinity with all the vandals in history? I would go farther than that. Is it not possible that if the clothes men wear today were of a different character we might be something other than what we are.

On Thursday night when Mr. Chamberlain was winding up the debate a group of Ministers returned from the dinner to King Carol and stood in the shadows behind the speaker's chair. They were dressed in the uniform of the Privy Council and the effect was not only imposing but stimulating.

There was, for example, that great lawyer, Sir John Simon, whose critics say that he is either the defender or the critic of a cause but never the creator of it. In his uniform — and especially when he donned his greatcoat a little later in the lobby—he looked an impressive military commander, another Wellington. His imposing height, his keen eye, his hawklike nose all spoke the power of instantaneous decision in the midst of the blast of cannon and the clash of swords. Sir John has been many things but did we lose a great soldier when we put a wig upon his head and sent him to the courts?

Then there was Dr. Burgin, a man of scholarship and studious habits whose candor at all times bespeaks the noble simplicity of his soul. Yet in his buttons and braided trousers he made me think of no one so much as Fouché, whose cunning outlasted the ambitions of Napoleon. In fact the Emperor is supposed to have said after Waterloo: "I have only one regret. I should have shot Fouché."

Only Robert Hudson looked unaltered by exterior decoration. He always reminds me of the officer who receives the defeated admiral on his quarterdeck, and is utterly unruffled in manner or appearance although carnage and slaughter are all about him.

Another man who would never change because of his apparel is Dr. Dieckhoff, Germany's Ambassador to America, who has been recalled to explain America's attitude to the Fatherland—including no doubt the guarding of German property in New York by a force of Jewish policemen under Captain Finklestein.

• • •

Germany's Envoy

When Dr. Dieckhoff was leaving Germany 18 months ago to take up his post as Ambassador to Washington he dropped me a picture postcard of farewell. The scene on the card was of some pastoral spot in Bavaria where Nature basked in sweet serenity and the antics of politicians seemed distant, foolish, far-off things.

Perhaps Dr. Dieckhoff has recalled that spot with a wistful melancholy more than once since his arrival in America. In fact he had to face trouble almost at once. A noisy anti-German campaign had broken out and the Catholic Archbishop of Chicago spoke of Herr Hitler as "that Austrian paperhanger." This deeply wounded the susceptibilities of the Nazi Party and the Ambassador was required to make a public protest. As an ardent Roman Catholic it must have been a disagreeable task but he gave a press interview in which he said that the Archbishop's statement was "tasteless and absurd."

On the other hand I am certain that his manner was suave and even benign when saying it. He is in no sense a Prussian type. His face is large and his brow professorial. In fact his whole appearance is friendly and disarming. Nor would he lack an intimate knowledge of American psychology. He was a Rhodes scholar and served at the Embassies both in Washington and London before he became the Permanent Head of the Foreign Office in Berlin.

Although Herr von Ribbentrop, in speaking at the funeral of Herr von Rath, said that the dead man was a German and therefore a Nazi, I am not sure that such a statement can be accepted at its full value. Dr. Dieckhoff was a Social Democrat and Permanent Head of the Foreign Office when Herr Hitler came to power. Certainly when I met him in London nearly three years ago he was not a member of the party, although he had a deep respect for the accomplishments of the leader. One does not need to strain the imagination to realize how keenly he must have suffered during the recent anti-German feeling in the United States which has reached a pitch that was not equalled even in the Great War.

• • •

Over Here

We have not been without excitement at Westminster during the last few days. On Wednesday there was a deep and abiding gloom in Government circles. It was felt that the distressing turn of events in Germany had made the Prime Minister's position very difficult. He had backed the policy of Anglo-German friendship so strongly that the party experts felt that the voters at Walsall would vote against the Government rather than give the appearance of supporting Herr Hitler. Then there was the prospect of the Ministry of Supply debate on Thursday when mutineers were said to be planning a break-away on a large scale. In the morning, though, the sun shone. It did more than that. It flooded the earth. Sir George Schuster had scored a stupendous victory at Walsall and all was well.

Mr. Chamberlain was in great fettle all day on Thursday. His face broke into smiles on the slightest pretext, and when he wound up the debate he was absolute master of the House. The dismal jimmies among the Government supporters were altering their tune. They suddenly discovered that Sir Samuel Hoare's Prison Reform Bill was a magnificent achievement and bound to bring acclaim to the Government. Oliver Stanley's Anglo-American Trade Treaty, to be announced the next day, was the kind of thing that the world needed. Good old Oliver! Good old Neville! Good old Walsall. Who's afraid of the big bad general election now?

And as we were crowding into the lobby to register our faith in Mr. Chamberlain and our lack of faith in a Ministry of Supply word came that Doncaster had been held by the enemy with an increased majority. And of course on Friday we learned that Bridgwater had decided to turn down the Government and send yet another journalist to Westminster. It is all very confusing and my sympathies go out to Sir Douglas Hacking, who as chairman of the Conservative Party has to report on the feeling in the constituencies. Perhaps he would be wiser to toss a coin.

• • •

A Popular Guest

Before we dismiss this thought of men who alter or do not alter with their clothes I must say that King Carol managed to look impressive even in morning clothes when I had a few moments chat with him at the Legation. At the same time it is not easy to feel oneself a dictator in civilian clothes—and our recent guest is very much a dictator in his own country. When he received me in Bucharest he wore a white military uniform that made him seem larger, broader and masterful. In civilian clothes one could not resist the thought that perhaps he was recalling those days when as an exile he wandered the Surrey lanes and seemed to think the world well lost for love. Now his position in Europe is uncomfortably important. As a Hohenzollern he intends to play his cards with confidence and daring.

King Carol's visit to London was not only a personal triumph for him and his son but it stimulated the rapidly growing friendship between the Roumanian colony and ourselves.

The Roumanian Minister, M. Grigorcea, and his staff arranged everything most admirably. There was an almost Prussian thoroughness in the way the time-table was adhered to, which is a remarkable feat when one considers that in Bucharest punctuality simply does not exist. But then there is something magnificent about being two hours late for an appointment.

• • •

Good Work

It is no secret that Sir Samuel Hoare was apprehensive lest certain clauses of his Prison Reform Bill might provoke ridicule. He was desperately sincere about the whole business but wondered if the community was as ready for it as himself. One hundred years ago his ancestor, Samuel Hoare, had fought to remove some of the horrors of prison life in those days. It was left for his descendant to complete the work and to prove that even in these days of world-wide cruelty there are nations that can still spare time to think with compassion and to raise the lot of fallen humanity.

There is no Minister in the Government who can radiate more vitality or good humor in private conversation than the Home Secretary. On the Front Bench, however, he is still apt to clothe himself as if in an impenetrable mystery. His critics still whisper that he is ambitious as if, like Caesar, that was a treasonable crime. They say that he lacks humanity, which is a queer commentary on his passion for giving the criminal and the juvenile offender a chance for life. Then there are others who cannot forget him for trying to stop the Abyssinian War. Yet those three achievements—the India Reforms, the Penal Reforms and the Pact with M. Laval that might have arrested the political deterioration of Europe—must win an important place for their author in the history of these times.

• • •

The Trade Treaty

Nor can Oliver Stanley be left out of the week's gallery of famous men. I admire and esteem the Americans at all times but when it comes to granting trade concessions their powers of immobility are remarkable. Knowing something of the difficulties between the two sides I feared more than once that the negotiations would break down completely. Fortunately in Mr. Oliver Stanley we have a President of the Board of Trade who can be as stubborn as any American while retaining the manner of conciliation and friendliness. He was well served by his distinguished Civil Servants but the final credit must go to Lord Derby's son. He is no shirker. His brain is first class and his grasp of detail is astonishing. I would not rate him above Machiavelli as a strategist nor does he always see the advantage of concession rather than surrender.

Perhaps, though, these very qualities which can make him difficult in debate served the nation well in doing the deal with our experienced old friend, Uncle Sam. It seems to me an admirable agreement for both sides and although we are warned not to claim that there is any political significance about it I am certain that it will bring America and ourselves still nearer to the common destiny that lies ahead of the English-speaking countries.

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Railway Union Chairman To Discuss Unification

From Our Own Correspondent

MONTREAL.—Sir Edward Beatty's proposal for unification of the Canadian National and Canadian Pacific Railways is to be discussed at a meeting of general chairmen of the 22 railway unions, which comprise the Standard Railway Association, Canadian section.

What the result of the meeting will be one can only guess. In the past, the great majority of railway labor has been opposed to the unification proposal. At the moment there is no reason for believing there has been a change in its attitude. On the other hand, there is a small section which, like the C.P.R. president, believes unification as a solution of the railway problem is inevitable. It is possible a stormy session will result.

During the past few years, several attempts have been made to secure the support of railway workers for unification. In this connection it has been pointed out they will benefit from a solution of railway labor. However, despite assurances from supporters of unification, labor has refused to believe they would not be adversely affected and a large number of workers displaced.

In this connection, Sir. Edward Beatty recently sent a letter to all employees of the C.P.R. dealing with some features of the unification proposal which has been criticized. He reiterates that displacement of labor is not necessary as the annual turnover of railway labor is almost 5%. This would make possible a reduction in staff over a period of years without serious displacement.

Again stating that he believes unification to be inevitable, Sir Edward says the initiative in undertaking the study of how railway labor can be protected under unification must come from labor itself.

Canada Cement Profits Placed at $6 on Preferred

From Our Own Correspondent

MONTREAL. — Canada Cement Co.'s financial statement for the year ended November 30 is expected to make better reading for the shareholders than is now anticipated. The record of dividend action on the preferred stock has led to the belief that the company had an off year. While sales of cement have not been as great in the past 12 months as in the previous year, it is said that business has held up and will only be about 5% or 6% less than in the 1937 fiscal year. Government business was somewhat restricted in the past year, but other business held up well.

Present indications are that the company will show around $6 a share on the preferred. This contrasts with $7.27 a share for the year ended Nov. 30, 1937. If this estimate is borne out by the official statement, it means that there will be no profits available on the common stock, whereas in the 1937 year the company showed 26 cents a share.

The principal change in the balance sheet will be a further reduction in the funded debt: to $15 millions, as against $15,750,000 a year ago.

While lower earnings are in prospect for the year ended this month, the outlook for the company is regarded as better than it has been for some time past.

U. S. Produces Less Whisky

Year-end Stocks Exceed pre-Prohibition Peak in 1914

Whisky production in the United States in the year ended June 30, 1938, was the smallest since the first year following repeal of the 18th amendment and was less than one half the quantity produced during the 1936-37 period. Whisky production was equal to 68.5% of the total liquor production in 1938 compared with 86.3% in 1937 and 88.1% in 1936.

Of the tax-paid withdrawals of whisky during the past year only about 5% represented the current year's production, compared with about 6% in 1937, 27% in 1936, 55% in 1935 and 75% in 1934. Of the whisky produced during the past year 99.5 million gallons, or 97%, remained in storage at the end of June.

Total stocks of whisky increased 5.8% during the year and on June 30, 1938 amounted to 471.2 million gallons, a figure more than 193 million gallons in excess of the peak in pre-prohibition stocks reached June 30, 1914.

Swift Current, Sask. — Expenditures for nine months ended Sept. 30, 1938, exceeded revenue by $22,784.

Power Corp. to Pay 30-cent Dividend

From Our Own Correspondent

MONTREAL. — Power Corporation of Canada has declared an interim dividend of 30 cents a share on the common stock, payable Dec. 21 to shareholders of record December 3.

While no official statement has been issued by the management, it is taken for granted that the current declaration covers the first half of the current fiscal year of the company, which started July 1, and makes continuation of payments on the same basis as in the preceding fiscal year.

For the fiscal year ended June 30, 1938, the company paid two 30-cent dividends, one on Dec. 21, 1937, and the other on July 25, 1938, as compared with the 25-cent dividends paid for the fiscal year ended June 30, 1937.

Managing Investments

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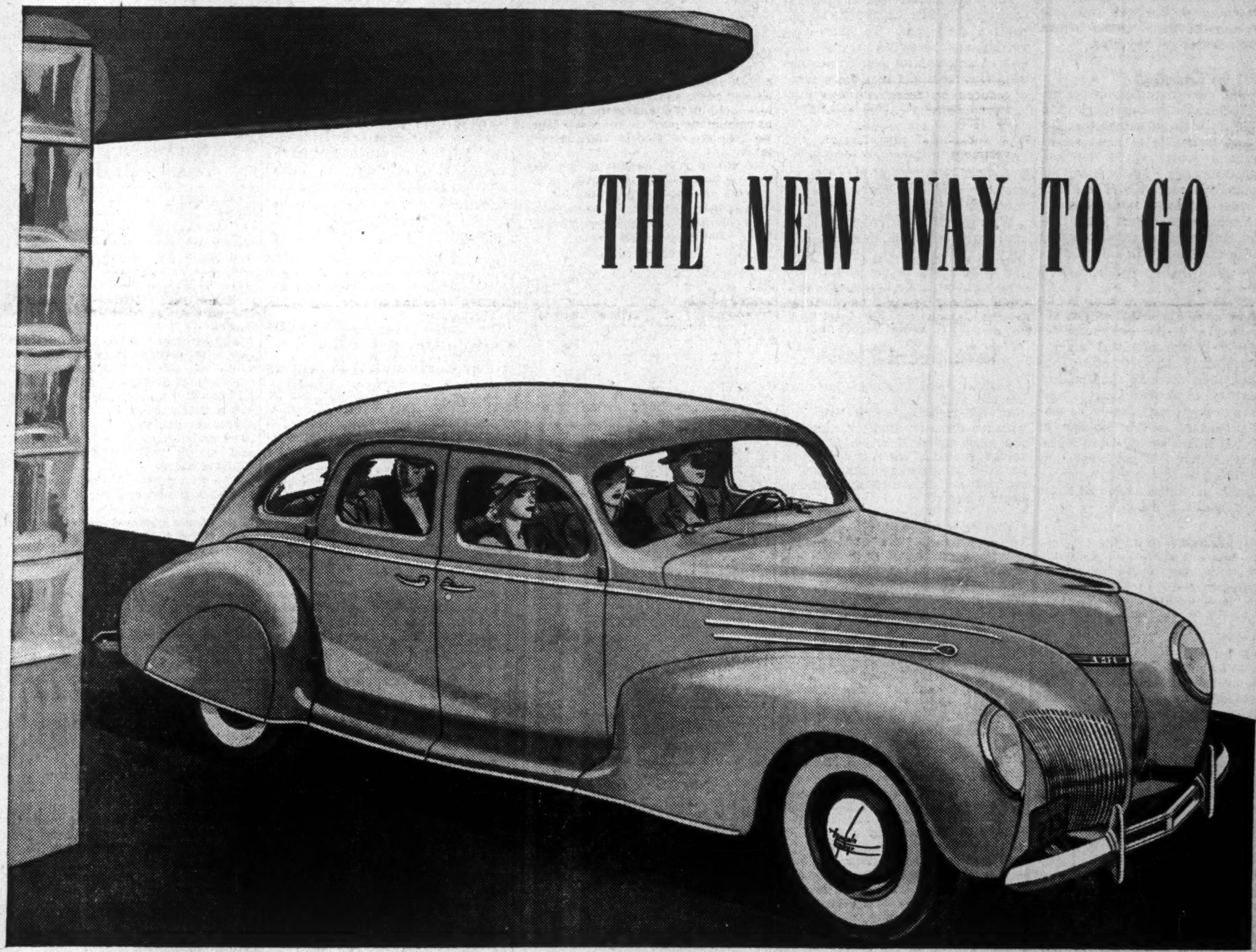
THE NEW WAY TO GO



The new Lincoln-Zephyr V-12 for 1939 is more than another automobile. It is a new way to go!

Like Lincoln-Zephyrs of other years, the car for 1939 breaks with precedent in many respects. It is a new idea that any medium-price car shall have a V-12 cylinder engine. Yet this car has it. The Lincoln-Zephyr engine has set its own high standards for power, smoothness and ease of driving. And it gives 16 to 20 miles to the gallon!

It is a new idea to build a car as this is built. Like a ship's ribs beneath the hull, a framework of steel trusses, in all closed body types, provides the Lincoln-Zephyr's unit-body-and-frame. This is the engineering principle of the arch-bridge, streamlined train and the airplane fuselage. It permits great strength with light weight.

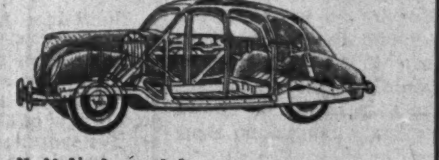
The car for 1939 is startlingly beautiful—even more so than last year. Radiator grilles, set low in the manner originated by Lincoln-Zephyr, sweep back vertically. Louvres are concealed. Streamlines, blending gracefully into the long, sloping rear deck, seem more pronounced. But the fundamental design which three years ago ushered in a new era of styling remains unchanged!

The car for 1939 has *hydraulic brakes*. They give smooth, gentle stops under all conditions. The new car has, also, complete rubber insulation of springs, axle assemblies and engine from the body frame — increasing quiet in a car already quiet. Interiors are newly decorated.

Take the wheel of *this* "twelve," and discover that the Lincoln-Zephyr, justly called the style leader of its time, has *many* features so distinctive as to set it decisively apart!

• Ford Motor Company of Canada, Limited: Ford V-8, De Luxe Ford V-8, Mercury 8, V-12 Lincoln-Zephyr and Lincoln motor cars.

A COMBINATION OF FEATURES THAT MAKES IT THE ONLY CAR OF ITS KIND

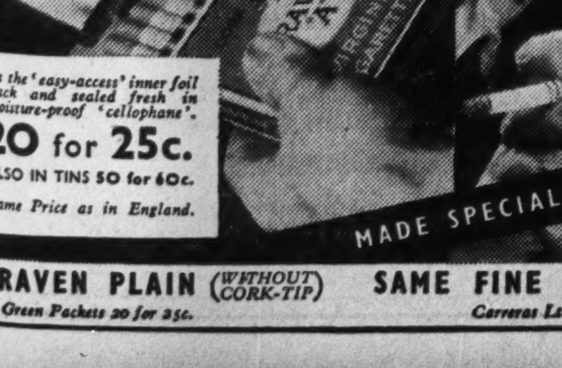


1. Unit-body-and-frame — steel panels welded to steel trusses.
2. V-type 12-cylinder engine — smooth, quiet power.
3. 16 to 20 miles to the gallon.
4. High power-to-weight ratio — low centre of gravity.
5. Comfort for six — passengers "amidships" — high visibility.
6. Hydraulic brakes.

THE NEW Lincoln-Zephyr V-12 STYLE LEADER FOR 1939

CRAVEN "A" quality never varies!

People do appreciate the unvarying quality of Craven "A", for they smoke more Craven "A" than any other cork-tipped cigarettes in the World.



In the 'easy-access' inner foil pack and sealed fresh in moisture-proof 'cellophane'.

20 for 25c.

ALSO IN TINS 50 for 60c.

Same Price as in England.

CRAVEN PLAIN (WITHOUT CORK-TIP) SAME FINE QUALITY AS CRAVEN "A"

In Green Packets 20 for 25c.

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Investment Trends

Market Decline Erases Third Post Munich Rise

Drop Nears Normal Limits for Reaction Without Signalling End of Main Up-swing

Weakness has continued to be the dominating trait of the stock markets for the past week. This follows a period of steady declines since the Armistice Day holiday.

Following the reversal of sentiment on September 27, stocks on all fronts moved up at first rapidly and then at a more moderate pace. The move took the Toronto industrial index from about 101.60 to 131.11 on November 12. The Montreal industrial index went from 66 to 88.8 in the same period, while the Dow-Jones industrial average in New York moved up from a little under 130 to almost 159.

Now in the past couple of weeks the drop has taken the Toronto index down to 121.42, a drop that wiped out almost one third of the preceding rise. Similar moves have been made on New York and Montreal exchanges.

Assuming that this reaction is just a correction and test of the strength of the preceding rise, as seems most likely, then it may still have farther to go. The ordinarily accepted limit for such reactions is an erasure of from one to two thirds of the previous rise. On this basis the Toronto industrial index could go to about 112 as a lower limit, the Montreal index to about 74 or 75. If the decline went farther than this it would give justifiable reason to doubt the usually accepted theory that stocks are in one phase of a major uptrend of which the latest downward move marks the third period of testing.

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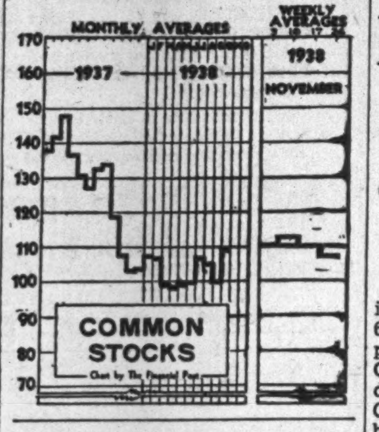

Preferred Rights

Attention has been drawn to the position of preferred shareholders in at least two cases concerning Canadian investors recently.

There would seem to be two viewpoints that could be used in studying such cases. In the first place stress can and should be placed on the prior position of the preferred shareholder. He bought his stock for the very qualities that it has now been demonstrated to lack. He wanted an assurance of his 7% dividends and a prior position in the event that the company got into difficulties. For this he was willing to forego any opportunity to participate in periods of unusual prosperity and also expected not to suffer as seriously as does the common stockholder in less prosperous times.

Following this argument farther would bring one to the assumption that when there are not enough assets to go around, then preferred stockholders should get complete satisfaction of their claims before common shares get anything.

* * *

Equity in Earnings

Another case frequently comes up. It is conceivable that earnings have dropped to such an extent that the company is unable to meet all its obligations with regard to preferred dividends. These have accumulated as arrears and the time has come for some settlement. In the meantime earnings have improved and there are good prospects that the company will have a margin of profits after meeting prior claims.

Then the point comes up as to whether or not past difficulties are to overrule future estimates of earnings. If the admitted margin over preferred requirements is substantial, then common shareholders are entitled to anything that is free.

But the point that should be emphasized again is that holders of preferred shares should be in a preferred position and get what they are entitled to before the owner, or the common shareholder, can share in earnings or assets.

* * *

Abitibi Once More

Rumors are again heard that a move to reorganize Abitibi can be expected before long. This is something that should come and the sooner the better. Plenty of time has been given to determine the relative place of various security holders in event of a reorganization.

Claims of bondholders are growing steadily. In addition to the $48.3 millions of bonds outstanding, interest has been accruing at 5% since Dec. 1, 1931. The face amount of bondholders' claims amounts to $65.2 millions. But on November 28, market value of bonds and interest was only $29.9 millions and of all Abitibi securities only about $40 millions.

Mention is heard frequently of a possible foreclosure on the part of bondholders. This has been talked of on more than one occasion and discussed in The Financial Post. And there is more than a little likelihood that this will eventually take place. In that case holders of preferred and common shares are unlikely to get much consideration. This is the interpretation the market may be placing on the stocks.

This move toward foreclosure is beset with many difficulties and it is known that legal talent closely concerned is by no means unanimous as to its feasibility. The alternative seems to be that different factions should get together in some compromise plan and it is known that some work is being done along this line.

* * *

Motor Encouragement

Investors in Canadian securities should be encouraged by the opinion expressed by W. R. Campbell, president, Ford Motor Co. of Canada, that this country is entering upon a period of progressive business improvement. He mentions the increased gross agricultural revenue and an indicated improvement in industrial activity, the stability demonstrated by the Dominion in the business recession of the past year and the improved morale of the business world as a result of the dissipation of imminent war clouds.

The Ford Motor Co. of Canada, according to Mr. Campbell, anticipates a good year. He states that preliminary reception to the 1939 line of automobiles and trucks has been favorable and that the volume of orders received to date is encouraging. Addition of the new Mercury in the lower-medium price field and a line of three-ton heavy-duty trucks gives the company representation in 95% of both passenger car and commercial vehicle markets.

With regard to the recently signed trade agreement, Mr. Campbell says that it is too soon to judge fairly the effects but hopes that in the long run the trade agreements will stimulate business in both countries.

Investment Notes

Eastern Steel Products—Earnings for the year which closes Nov. 30, 1938, are reported about half way between those for 1937 and 1936. In the year ended Nov. 30, 1937, the company had a balance equivalent to $1.40 a share available for its common and in the 1936 period five cents a share.

* * *

Canada Cement—The volume of business handled by the company this year is indicated in the Government's report on cement production. For the eight months ended August last, output totalled 3,523,638 barrels as against 3,850,121 barrels for the like period in 1937.

* * *

Asbestos Corp.—A smaller output for this company in 1938 is indicated by the Government figures on asbestos production. To the end of September, Canada produced 208,632 tons of asbestos, compared with 309,948 tons and 204,325 tons in the corresponding period of 1937 and 1936, respectively.

* * *

National Grocers—A number of reorganization plans have been presented to the company and two are now being considered. There is little probability of any action, however, for a considerable time. Sales continue at approximately the level of last year, but prices continue at near bottom. No immediate improvement is looked for by the company.

* * *

Dominion Coal—Declaration of the quarterly dividend this week draws attention to the fact that the company should be helped materially in 1939 through the increase in the Dominion Government's rail subvention on the movement of coal from Nova Scotia to the central Canada market.

* * *

Aluminium Ltd.—While the rest of the market registers weakness, this company's common stock is currently selling at better than 140, a new high for the year, comparing with a low of 83½%. Reports of extensive operations and high earnings tend to hold up the stock. Talk of a stock dividend appears to be rather remote at this time.

* * *

McColl-Frontenac — The common stock is selling at a new low for the year. Seemingly the Trinidad properties are proving more of a drag than had been generally expected or believed.

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—Blank-Stoller photo.

C. S. L. EXECUTIVE

G. H. Montgomery, K.C., of the legal firm of Brown, Montgomery & McMichael, Montreal, who has been elected vice-president of Canada Steamship Lines, succeeding the late Hon. A. J. Brown, K.C.

Nat. Gypsum Stock Offered

Convertible Pref. Offered to Retire Old Stock and Build Plant

Cochran Murray & Co., Toronto, is participating in the offering of 60,000 shares of $4.50 convertible preferred stock of National Gypsum Co., Buffalo. The underwriting syndicate is headed by W. E. Hutton & Co., New York, and includes a number of American investment houses.

Offering is being made at $100 a share. Payment, if in cash, is to be made on or before Dec. 1, 1938. The new preferred issue is being used, in part, to retire existing first and second preferred issues. Holders of the present 7% first preferred were offered an exchange on a share for share basis and holders of the 5% second preferred could buy the new preferred, paying for it with their present stock on the basis of five shares for each new share. This offer was open to Nov. 30, 1938.

Of the net proceeds of the present financing, $3.5 millions will be used to retire the existing 7% first preferred and $1.1 million to retire the present 5% second preferred. An estimated $900,000 is to be used for additions to the company's New York plant and $350,000 toward purchase of land adjacent to the New York plant. The new unit is to be used to make gypsum boards.

Shares Convertible

The new shares are convertible into common at $17 through Nov. 30, 1939, thereafter at 20 through Nov. 30, 1941, thereafter at 23 through Nov. 30, 1943, and thereafter at 26 through Nov. 30, 1945, when the conversion privilege ends. The stock is redeemable at the company's option on 30 days' notice at $105 a share to Nov. 30, 1943, and at $103 thereafter.

Consolidated profit and loss account of National Gypsum Co. for the nine months ended Sept. 30, 1938, is stated to show net income, after all deductions, including U.S. and Canadian income taxes, of $752,713, compared with $687,427 for the full year 1937 and $1.1 million for 1936. Net sales for the first nine months of 1938 were $7.3 millions, compared with $10.2 millions in all of 1937 and $7.7 millions in 1936.

Current assets are stated to total $5.9 millions at Sept. 30, 1938, including cash of $1.8 million, against current liabilities of $905,631.

Giving effect to the new financing, the company's capitalization will be:

Capitalization
(Giving effect to present financing)

	Authorized	Outstanding
4½% debentures..	$3,500,000	$3,425,000
Cum. pref., n.p.v.	100,000 shs.	nil
$4.50 pref., n.p.v.	60,000 shs.	60,000 shs.
Common, $1 par ..	$2,500,000	$1,261,458

National Gypsum has some gypsum properties in Nova Scotia which are being developed and some harbor improvements are being undertaken by the Dominion to assist the use of these properties.

Ottawa Light To Split Stock

Common to be Converted on Four-for-One Basis

From Our Own Correspondent

MONTREAL.—A special general meeting of shareholders of Ottawa Light, Heat and Power Co. is to be held Dec. 7 to consider splitting the common stock.

The proposal to be submitted to shareholders suggests the present $100 par value shares be converted into new no par value shares, four new shares being issued for each share now held. The proposed by-law also authorizes directors to issue additional shares for a consideration not in excess of $25 a share.

Ottawa Light has an authorized capital of 80,000 common shares of which 35,000 are outstanding. If the split is approved the authorized common share capital will be 320,000 shares and the outstanding capital 140,000 shares.

The new common is to have one vote a share. In order to maintain the balance of voting power it is proposed to give four votes a share to the preferred stock.

In each of the past six years earnings of Ottawa Light have not been sufficient to cover the $6 common dividend in full. In 1937 the company earned $5.41 a share on its present stock, equivalent to $1.35 on the proposed new shares.

Profits in the current year may be slightly above 1937. In the first five months of the year net earnings before providing for bond interest, depreciation, amortization expenses and income taxes, amounted to $359,314, compared with $356,006. A few months ago the company's 5% triple-pay bonds were replaced by an issue of 4% bonds payable in Canadian funds only. This should result in interest savings in the future.

Market Opinions

It seems that most market commentators this week feel that stocks are going to have a period of waiting before resuming any marked advance.

Brookmire Bulletins, New York—"The recent dullness and narrow movement in the stock market following its retracement of the sharp post-election run-up are of the type which frequently develop in the period after a rise like that of September and October. The news from abroad seems gradually becoming less agitated, and the basic recovery trend in this country continues strong. Thus, in view of the longer term uptrend, this irregularity in the stock market represents further opportunity for investing any additional cash to round out holdings for future growth of clients' active funds."

* * *

Barron's, New York (The Trader)—"At the moment there are no major developments calculated to stir the market into action. Where stocks have had a tremendous appreciation, earnings are not such as to kindle an aggressive buying movement. On the other hand, as in the electrical equipment, oil, can companies, farm equipment and the like, where earnings are decidedly disappointing, income return—liberal in the light of bond yields is sufficient to restrain selling.

"To attempt to be dogmatic about the short-term course of stock prices is futile. Seasonal pattern would call for a desultory sagging movement for several weeks, followed by the traditional and most marked of all minor trends, the January rise. Thereafter much may depend on sentiment, which is to say, speculative psychology. Since there is no danger of a bear market, the problem is when and where an ideal new 'buying spot' will next eventuate."

* * *

The Annalist, New York — "The stock market reaction of the past eight days raises some doubt concerning the technical position. It is true that volume of trading has fallen off on the reaction and that many leading stocks, notably General Motors, the steels and most of the rails and railway equipments, have held at or above the support levels of the last half of October. But many prominent issues have broken below this level.

"The market's reaction, moreover, has covered a little more ground than it should as a normal readjustment following an advance. Account must also be taken of the fact that in the past, following a favorable election, prices have usually advanced for at least two weeks and usually longer.

"The above does not constitute sufficient evidence to warrant the conclusion that the market's technical position has become definitely unsound, but it does raise the question whether much more advance can be expected during the next several weeks."

* * *

The Economist, London (Nov. 19)—"It is doubtless true that some degree of technical reaction was to be expected from Wall Street after the vigorous advance. But it is no less true that the anti-Semitic outbreaks in Germany and their official extension in the form of heavy 'fines' sharply challenged the market's hopeful assumption that the policy of 'appeasement' would have a favorable atmosphere in which to develop. It is fortunate, perhaps, that the London market has mingled hope with certain reservations on this question, and in consequence the resulting falls were not of a serious nature . . .Throughout the market the former factor, of reduced support, was largely responsible for any reaction in prices, which was not attributable to any significant selling pressure. Some observers professed to detect foreign selling arising directly from the German decrees, but the general view was that such direct operations were small. As a qualitative factor in the relations between Germany and the rest of the world, however, the recent outbursts cannot be ignored, and not least by the stock markets. Even the imminence of the Anglo-American Trade Agreement did not produce any considerable increase in business from mid-week onwards, although it made for a welcome improvement in the tone. A weaker pound and an uncertain franc provide sufficient cause for the quiet condition of the investment markets, in which home rail stocks remain the Cinderella. And among industrial shares the prevailing mood is marked not by dramatic changes in prices—on the whole, movements have been extremely small—but by limited buying interest."

Nova Scotia Steel Plan Holiday Week

From Our Own Correspondent

MONTREAL.—Nova Scotia Steel & Coal Co.'s plant at New Glasgow will begin operations on Dec. 5 for two and possibly three weeks' run, according to Isaac Moeller, general superintendent.

Business demand for steel was in the doldrums, company officials said, and the production of the forge, mills and the bolt and nut department would be put into stock. At the forge, railway axles would be made.

Canada Dry Sales Up For Carbonated Products

In the year ended September 30, 1938, Canada Dry Ginger Ale sales of carbonated beverages are reported to have been approximately 800,000 cases ahead the approximately eight million cases reported for the 1937 year. Earnings from liquor sales, with a drop in February and March, were a little below the previous year, but the company noticed an improvement in October which is reported continuing into the current month.

Indications are, therefore, that the company will report a net income a little above $675,000, equal to $1.10 or $1.15 a share on the 615,157 common shares. In the year ended Sept. 30, 1937, the company earned $1.18 a share.

A new direct delivery plant is to be erected on Long Island. This will serve needs of customers at the World's Fair and in the district. A new cola drink is being introduced by the company under the name of "Spur Cola."

Move Made to Delist Soo Stock in New York

From Our Own Correspondent

MONTREAL. — The New York Stock Exchange will make application to the Securities Exchange Commission for authority to remove from listing the three security issues of the Minneapolis, St. Paul and Sault Ste. Marie Railway. The issues involved are the Soo Line 7% preferred stock, common stock and 4% leased line certificates.

The committee on stock lists told the governors of the Exchange that the continued listing of these issues was not warranted by the amounts, distribution, indicated market value, marketability and price range of the issues in the hands of the public.

Marcus Loew's Is Criticized

Canadian Holders of Preferred Claim Dividend Treatment Unfair

Directors of Marcus Loew's Theatres, Ltd., are coming in for criticism on their dividend policy.

Two Canadian investment trusts, holders of 698 shares of the company's 7% preferred stock, have written to Nicholas M. Schenck, president of Marcus Loew's, protesting against the treatment preferred shareholders are receiving.

The basis of criticism is the claim that the company's earnings and financial strength would permit payment of arrears of dividends on this stock at a much faster rate than has actually been done. The latest dividends declared on this stock is $3.50 a share, payable Dec. 15, 1938, and which will leave arrears at $38.50 a share.

The investment trusts have submitted a memorandum to company officials along with their letter, detailing their arguments in support of their claim that dividends could be paid on a much higher basis without threatening the company's position. It is suggested that interests of common shareholders are being placed ahead of those of the preferred.

Since June 30, 1934, when the company resumed preferred dividends it has paid the regular $7 annual rate and, including the Dec. 15 payment, $5.25 a share on arrears.

Large Earnings

Earnings per share available for the preferred stock have been as follows in the past few years: 1932, $17.26; 1933, $13.47; 1934, $14.78; 1935, $7.83; 1936, $12.51; 1937, $17.09. It is pointed out that during this period the company built up its working capital from $14,926 as at Jan. 2, 1932, to $264,999 as at Aug. 26, 1937. In addition it is stated that substantial sums have been spent on redecoration of the company's two theatres in Toronto.

Information gathered by the two investment trusts indicates that earnings for the year which ended Aug., 1938, will be at about the same level as last year when $17.09 a share was earned on the preferred. It is also said that the company has about $400,000 in cash in the bank as compared with $290,830 a year ago.

Waterloo, Ont.—Collections of current taxes during the first nine months of the year were the highest in over five years, according to the municipal treasurer.

Significant Investors' Index Numbers

1926 = 100

No. of Securities	Mach. and equip. 8	Pulp and paper 7	Milling 3	Oils 4	Textiles and clothing 10	Food and allied prod. 12	Beverages 7	Bldg. mater. 15	Power and traction 15	Banks 8	Total utilities 19	Total co's. 95
1929-37:*												
High	432.5	113.4	273.4	423.5	113.5	197.8	204.6	281.1	197.6	131.7	166.0	198.3
Low	39.2	3.0	37.7	87.7	30.8	78.8	33.8	44.3	47.1	63.1	36.9	43.3
1938:												
Jan.	109.6	18.9	87.2	194.9	64.3	158.7	116.1	138.4	64.4	84.3	48.7	107.7
Feb.	109.3	17.5	88.9	195.2	64.8	159.9	115.0	131.4	63.1	81.8	46.8	107.1
Mar.	100.7	14.6	76.5	181.2	60.3	152.0	101.3	116.0	58.2	80.5	43.1	99.2
Apr.	103.2	15.4	75.6	172.0	55.0	151.5	106.0	119.4	59.7	80.4	43.7	97.9
May	107.2	15.7	85.8	177.2	54.5	153.6	107.5	122.5	61.0	80.9	44.5	99.7
June	111.8	18.6	84.8	170.0	54.1	156.2	109.2	129.8	61.2	81.0	45.1	100.0
July	129.2	23.1	88.6	177.6	59.4	167.9	120.5	142.6	66.4	84.9	48.6	106.9
Aug.	130.1	21.0	88.3	176.7	59.0	168.5	122.1	139.3	64.3	85.0	47.1	105.2
Sept.	120.6	17.5	78.4	165.0	54.3	162.2	108.8	121.2	57.8	83.4	42.7	98.6
Oct.	139.8	22.8	85.8	182.1	58.5	170.1	133.3	139.5	64.0	86.0	46.9	109.7
Weekly Figures, 1938:												
Nov. 3 ..	141.6	22.8	86.3	181.6	59.1	171.3	140.8	140.6	63.1	86.2	46.4	110.7
Nov. 10 ..	145.0	23.0	85.9	182.4	59.1	170.4	145.2	143.4	63.6	86.0	47.1	111.9
Nov. 17 ..	143.3	22.0	86.3	186.0	59.5	170.7	144.8	143.6	62.3	85.8	46.1	110.9
Nov. 24 ..	138.4	20.8	83.6	186.6	58.2	169.9	139.7	137.9	61.4	85.3	45.3	109.2

*High and low for years from 1929 to 1937 inclusive are based on weekly figures compiled from figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indus.	20 Golds	10 B.M.	15 W.O.
Nov. 29	121.72	120.75	98.99	28.86
Nov. 28	121.42	121.06	96.91	28.68
Nov. 26	122.93	121.97	98.59	28.84
Nov. 25	123.72	120.91	99.35	29.51
Nov. 24	124.28	120.42	99.67	28.96
Nov. 23	124.35	119.99	99.25	28.97
Month ago ..	126.15	121.47	101.46	30.95
Year ago	120.54	117.33	69.31	37.86
High, 1938 ..	131.11	127.19	105.56	50.85
Low, 1938 ...	97.66	101.86	64.47	25.77

Montreal Stock Exchange Averages

	10 Util.	20 Indus.	30 Comb'd	15 Golds
Nov. 29	65.4	80.7	75.6	121.38
Nov. 28	64.9	80.1	75.0	121.66
Nov. 26	65.4	81.9	76.4	121.69
Nov. 25	65.4	82.5	76.8	120.83
Nov. 24	65.7	82.7	77.1	121.68
Nov. 23	66.1	83.1	77.4	121.15
Month ago	67.9	85.3	79.5	124.90
Year ago	65.8	74.4	71.6	112.89
High, 1938	69.3	88.8	81.9	130.77
Low, 1938	57.6	61.1	60.5	103.06

B.A. Oil Gets $3 Millions

Stock Sold in Britain to Finance Building Programme

British American Oil Co. has obtained $3 millions of new capital through sale of 150,000 shares at $20 a share to British interests.

Purchaser of the stock is Robert Benson & Co., London, and it is presumed that the shares will be distributed in Great Britain.

The new capital is required to finance the refinery being built in Calgary, improvements of the company's distribution facilities and extension of its crude oil producing interests, as well as reimburse the company for the $500,000 spent this year on enlarging the Montreal refinery from 12,000 to 16,000 barrels daily capacity.

Capital Need Forecast

Much of this has been forecast from time to time. At the last annual meeting, A. L. Ellsworth, president, told shareholders that more capital would have to be put into the company's productive facilities in the United States if profits from that source were to exceed the 1937 level. He added that directors were considering ways and means of acquiring the needed capital and that shareholders would be informed of any action.

Not since 1927 has B. A. Oil done any financing by means of stock issues. In that year, holders of the former shares were offered rights to subscribe to one additional share for every five shares held at $17.50 a share. The stock was split on a two-for-one basis in 1930.

Has Sold Debentures

The company has used bank loans from time to time, last of which were paid off by a debenture issue in 1935. At the end of 1937 working capital amounted to $8.6 millions. Current assets of $11.3 millions, included cash of $1 million, $2.5 millions of accounts and bills receivable after deduction of reserves for doubtful accounts and $7.8 millions of inventories.

Sale of the 150,000 shares will raise outstanding stock to 2,752,642 no par value common shares. In 1937, the company's net profits of $3.4 millions from Canadian operations only, were equivalent to $1.30 a share on the 2,622,642 shares then outstanding. If the additional shares now marketed had been outstanding, this net profit would have been equivalent to $1.24 a share. This does not indicate that payment of the current dividend of $1 a share on the extra stock will be too difficult.

Latest available information as to holdings of British investors in the company is for the end of 1935 when 125 shareholders in that country held 30,081 shares.

Sherbrooke Trust Co. Maintains Earnings

From Our Own Correspondent

MONTREAL.—Sherbrooke Trust Co. reports for the year ended Sept. 30, 1938, profits totalling $49,077. This compares with $47,989 in the preceding year. After deducting depreciation, provision for federal and provincial taxes, dividends and transfer of $7,889 to contingent reserve, and $10,000 to reserve fund, earned surplus was increased by $135, bringing the total to $29,161.

Earnings Record

Year	Paid-up Capital & Reserves $	†Net Profit $	Div. Rate $	Rate Earned Per Sh. $
1934	477,000	29,124	6	9.70
1935	484,000	20,910	6	6.97
1936	493,500	28,851	6	9.61
1937	508,500	34,970	6	11.65
1938	524,500	36,024	6	12.01

†After taxes and depreciation on premises and furniture as follows: $5,230 in 1938; $5,148 in 1937; $5,127 in 1936; $5,107 in 1935; $5,079 in 1934.

Creditors' Position

	1938 $	1937 $
Debentures	328,456	348,868
Deposits	1,349,164	1,285,351
	1,677,620	1,634,219
Secured by assets:		
Liquid assets	825,329	742,009
Mortgages	1,241,885	1,253,389
Other net assets	199,797	209,875
	2,267,011	2,205,273
Estates, etc.	3,950,243	3,890,564

Forest Hill

Forest Hill, a most attractive residential suburb of Toronto, has become physically a part of the City while maintaining its identity as a separate Municipality.

During the past ten years, the growth of Forest Hill has resulted in a reduction in its per capita debt while the assessed value of its property has substantially increased through new residential construction.

Forest Hill, Ontario
3½% Instalment Debentures
Due November 1st, 1944–58
Denominations: $1,000, $500 and odd amounts.
Prices: To yield from 3.10% to 3.30%

Descriptive circular including financial statement forwarded upon request.

Wood, Gundy & Company
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Toronto Winnipeg
Montreal Ottawa Vancouver
London, Eng. Hamilton London, Ont.

Dominion Mtge. & Invest. Sees Municipal Improvement

Debt adjustment again held the centre at the annual meeting of the Dominion Mortgage & Investments Association. The annual report referred to legislation passed at the last session of the Alberta legislature and having a direct bearing on mortgage investment in that province. Two of these acts, "The Home Owners' Security Act" and "The 1938 Securities Tax Act" have been disallowed and final decision in respect to six of the remaining acts has not been made.

Advantage of negotiation as a means of debt settlement were stressed in place of arbitrary adjustments. Large numbers of Alberta farmers continue to take advantage of the Association's plans for debt negotiations.

In Saskatchewan the voluntary plan of debt adjustment had resulted in a reduction in farm mortgages and agreements for sale approaching $31 millions and the establishment of a maximum interest rate on farm accounts of 6%. Write-off of tax arrears and other obligations in Saskatchewan might well reach a figure of $90 millions.

A similar plan in Manitoba has also reduced interest throughout the province to a maximum of 6% and written-off some $3 millions.

Municipalities Collect More

In the field of municipal and corporate finance, greater collection of municipal taxes and other revenues has resulted from general business recovery. "The cost of unemployment relief and social services continues to make difficult the balancing of municipal budgets. It may be said, however, that improvement in the state of municipal finance has taken place, and continues to take place, to an extent which has enabled substantial progress to be made in the adjustment of the finances of local authorities in default."

In British Columbia, tax collections are gaining but legislation empowering certain municipalities to withhold sinking fund payments raises some doubt as to ability to meet debenture maturities. There are indications that sinking fund payments may be resumed shortly.

Alberta Still Uncertain

Municipal finances in Alberta are still uncertain. The Municipal Securities Interest Act, which has not yet been proclaimed, would forbid municipalities paying more than 3% interest on their debenture debt. The improvement that might have been expected as a result of better crops has not yet appeared. The default situation during 1938 has been aggravated by section of a large number of school districts in refraining from paying debenture obligations in expectation of a consolidation and refunding at lower rates. Reports indicate that defaults are taking place where no justification exists.

In Saskatchewan adjustment of defaults has been made difficult by successive crop failures. The Local Government Board, however, is making progress in bringing about adjustments of debts in the drought areas where the voluntary plan of debt adjustment was put into effect in 1936.

Certified General Accountant

Seeks to improve his position through connection with firm, preferably in Eastern Canada, offering scope for advancement in line with qualifications to take on responsibilities. Twelve years with present employer as accountant in manufacturing, wholesale and retail activities. Forty-one years of age, married, energetic, studious and ambitious.

High references from employer and other well known business men.

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Nu-Wall Industries, Limited
(Ontario Charter)

CAPITALIZATION
Common Stock

Outstanding (on completion of present financing)	*Authorized*
156,265 shares — $1 par value.	*500,000 shares — $1 par value.*

THE COMPANY

Nu-Wall Industries, Limited, a company incorporated under the Ontario Companies Act, is engaged in the manufacture, at 201 Weston Road, Toronto, of a casein paint, which is made from a secret formula protected by patent in Canada and distributed by the company from its plant in Toronto and a distributing office in Montreal under the registered trade name "Nu-Wall." Application for patent has been made in Great Britain and the United States. Active management of the company and distribution of the product will be under the direction of Mr. G. W. Morrall, a recognized paint authority in both Great Britain and Canada, and recently General Manager and Director of the Crown Diamond Paint Company. Nu-Wall paint, the Company's chief product, is receiving widespread acceptance across Canada and is being distributed by more than 700 dealers. These shares are being issued to provide working capital to finance this rapidly growing business.

Transfer Agents, National Trust Company, Toronto; *Chartered Accountants*, Welch Anderson & Company, Toronto; *Solicitors*, Lang & Michener, Toronto.

PRICE: $1.75 per share.

Descriptive circular upon request.

H. D. Bellinger & Company, Limited
67 Yonge Street, Toronto.

D. H. Willson & Company
302 Bay Street, Toronto.

W. G. Tubby & Company, Ltd.
200 Bay Street, Toronto.

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AN ESTABLISHED FINANCIAL FIRM in Winnipeg, with good facilities for loaning, wishes to establish a connection with an individual or firm with money to loan in conservative amounts as first mortgages at 6% on dwellings and apartment blocks in Winnipeg. Can furnish bond. Box 33, The Financial Post, Toronto.

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$5,000 CAPITAL REQUIRED TO promote advertising and production of new pocket instrument for Mining Industry. Substantial Silent or Active interest. Samples well received at Mining Engineers' convention. Distribution interested. Canadian possibilities $75,000. American open. Patents applied for. Box 50, The Financial Post, Toronto.

Car for Sale

DE SOTO sedan, in excellent condition. Finish and upholstery good as new. Equipped over drive, radio and heater. Have been offered $850 on trade-in but want cash and will sell for considerably less. This is an exceptional buy. Apply Box 55, The Financial Post, Toronto.

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Gas & Coke Company
6% First Mortgage Sinking Fund Bonds Maturing 1st July, 1952
Price:
100 and accrued interest.
Principal and semi-annual interest January 1st and July 1st payable in lawful money of the United States of America.
Full information supplied upon request.
HANSON BROS.
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Thirty-four years experience in fine tailoring coupled with an accurate knowledge of style trends has enabled "Levy Bros." to serve an increasing number of patrons.
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69 WEST KING STREET, TORONTO

Bond Markets

Default Situations Clearing Gradually

Dominion Mortgage and Investments' President Sees Encouraging Trend in Adjustments of Debts—Scores "Confiscatory Nature of Legislation"

The whole question of debt and debt adjustment in Canada was reviewed by J. H. Lithgow, president of the Dominion Mortgage and Investments Association, at the annual meeting of the Association. The organization, Dominion-wide in its ramifications, is admirably placed to give an accurate picture of the position of lending institutions, and the progress beng made in clearing up defaults in the country.

A cautious note of optimism was discernible in the president's address, although "the unfairness and confiscatory nature of much of the legislation which has been enacted by certain legislatures" was singled out for condemnation.

The manner in which borrower and lender have co-operated in clearing up unsatisfactory debt situations suggested to the speaker that some progress has been made in recent years in avoiding legislation and compulsion as a weapon in reaching a settlement.

Speedy solution of these many situations would patently be of great benefit to the institutions that the Association represents, the borrower and all parties concerned. Not least of the benefits accruing would be the re-establishing of credit. A fine degree of co-operation between various governmental agencies and the Association has been achieved toward that end.

* * *

Bond Ratings

Moody's rating of the bonds of Nova Scotia as Baa, in contradistinction to an A rating given the bonds of New Brunswick, caused a wide interest in investment circles. The Canadian market obviously did not agree with this investment service's appraisal, because of the lower yield on the Nova Scotia obligations. This week, however, Moody patched up the differences voluntarily by raising the Nova Scotia rating to an A.

* * *

Outlook For Gilt-edged

In discussing the outlook for gilt-edged securities, The Economist, London, makes an interesting conclusion on the course of prices.

"The evidence, altogether, supports the conclusion that, even if war is ruled out, Britain's rearmament programme is unlikely to be completed without some further fall in gilt-edged prices, though the decline may, if all goes well, be relatively moderate."

* * *

U. S. Treasury Financing

Because the economy of Canada is geared closely to that of the U.S., the course of interest rates in that country is of vital importance to Canadian investors.

It should be remembered that Canada goes occasionally to the New York markets, as it did recently with a $40 million issue. The interest rates thereon must therefore be very much in line with comparable U. S. issues.

The Institute of International Finance concludes in one of its bulletins that a continuance of "easy money" is indicated.

Monetary authorities exercise a more effective control over the money market and are able to influence interest rates more completely than at any time in our history, the bulletin states.

It may be presumed that the Federal Reserve System and the U. S. treasury will continue low money rates so long as business conditions are below the average of the 1920's. Whether recovery, if and when it comes is accompanied by a material increase in the prices of commodities and equities will determine restrictive credit measures of the authorities.

In addition to aiding business and facilitating operations of the treasury, the policy of low interest rates is maintained to guard financial institutions against a precipitous decline in Government securities which would normally follow a sharp rise in interest rates.

* * *

Banks Heavy Holders

It is stated that savings banks in the U. S. held $16,683 millions of Government and Government guaranteed obligations at the end of 1937. Insurance companies held $4,416 millions. Any serious decline in rates would have on injurious effect on these organizations. It would appear unlikely that the Government would take any measures that would injure these institutions.

It will be necessary for the U. S. Government to undertake huge financial operations in the next few years. In the next four years $10,868 millions of obligations will have to be refunded. It would be difficult to understand if the authorities deliberately increased the cost of refunding this amount. The operations of the U. S. Government in the money markets therefore is of utmost importance.

* * *

United Kingdom Financing

Decline of new capital issues in Canada appears to have a parallel in the United Kingdom where new financing has declined substantially in the past two years.

In a comparative chart compiled by Midland Bank Ltd., new capital issues for 10 months in 1938 amounted to £95.7 millions, as compared with £140.7 millions in the same period of 1937, and £176.1 millions in 1936.

By far the greatest portion of these funds has gone to finance projects in the United Kingdom. Lesser sums went to British countries, while relatively small amounts went to foreign countries.

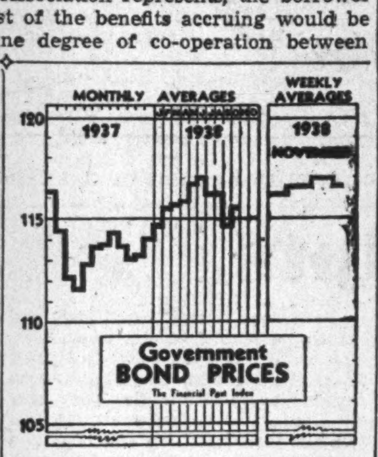
* * *

Bond Index

Prices of high-grade bonds followed the movement of last week to slightly lower prices.

Average Price and Yield for Seven High-Grade Government Bonds

1938	Price $	Yield %	1937	Price $	Yield %
Nov. 29	116.29	2.810	Nov. 29	113.57	3.270
Nov. 28	116.34	2.799	Nov. 27	113.54	3.271
Nov. 26	116.71	2.766	Nov. 26	113.54	3.271
Nov. 25	116.71	2.766	Nov. 25	113.57	3.270
Nov. 24	116.71	2.766	Nov. 24	113.57	3.270
Nov. 23	116.68	2.771	Nov. 23	113.57	3.270
Year's	117.21	2.737	Year's	[illegible]	[illegible]
Range	111.86	3.269	Range	[illegible]	[illegible]



Toronto Calling For Bond Tenders

Greatest Portion of $2.8 Millions Issue Will Be Used For Relief

Toronto is calling for tenders on $2.8 millions of 2%, 2¼% and 3% serial installment debentures for Dec. 1, 1938.

The issue is split into four groups:

(1) $1.1 million 2% debentures dated Dec. 1, 1938, maturing 1939-42. The proceeds will be used for the city's share of 1938 relief.

(2) $521,000, 2% debentures dated Dec. 1, 1938, maturing 1939-43. These funds will be used for the balance of 1937 relief costs.

(3) $442,000, 2¼% debentures dated Dec. 1, 1938, maturing 1939-48. Of this amount $146,000 is the city's share of Toronto and York Roads Commission costs; $220,000 for track allowance pavements, $15,000 for parks acquisition, and $61,000 for hospital building grant to St. Michael's Hospital.

(4) $698,000, 3% debentures, dated Dec. 1, 1938, maturing 1939-58. Of this $500,000 comprises the city's share of Malton and Island airport construction; $162,000 for bridge construction and $36,000 for public school purposes.

In Dec., 1937, $2.4 millions of 2¼% 5-year serial debentures was sold for a cost basis to the city of 2.07%, and a refunding issue of $650,000, 3½% 10-year straight-term debentures of the Harbor Commissioners was disposed of on a 3.28% cost basis.

Bond Sales

Twp. of Etobicoke, Ont.

Harrison & Co. has purchased $34,689, 4½% debentures of the Township of Etobicoke, Ont., due Aug. 1, 1937-63 at par plus accrued interest. The bonds covering capital expenditures from 1933 to 1937, during which time the township was in default will be redated.

An option on $77,000, 4½% debentures was granted on a 90-day basis.

* * *

Town of New Glasgow, N.S.

The Town of New Glasgow, N.S. has sold an issue of $45,000, 4% debentures, dated Dec. 39-53 at 105.03, on a cost basis to the town of 3.56%.

* * *

Twp. of North York, Ont.

The Township of North York, Ont. has sold $51,000, 4½% debentures, due Dec. 1, 1939-53 to Harrison & Co., and granted an option on another $209,000 of 4½% debentures. The proceeds will be used for local improvements.

* * *

Prince Edward Island

R. A. Daly Co., Toronto, was successful bidder for $325,000 of 3% 12-year bonds of Prince Edward Island on a 15-day option basis. Alternative tenders were asked for 12-year 3% bonds and 12-year 3¼% bonds. Tender of R. A. Daly Co. of 98.07 was accepted on the 3% bonds, representing a cost basis to the province of 3.19%.

A list of bids submitted follows:

3%—12 Year Bonds	
R. A. Daly Co.	98.07
Eastern Securities Co. / Wood, Gundy & Co. / A. E. Ames & Co. / Dom. Securities Corp.	98.00
Cochrane, Murray & Co. / Dyment, Anderson & Co.	97.25
Mills, Spence & Co.	96.30
F. J. Brennan & Co. / McLeod, Young, Weir & Co.	95.55

3¼%—12 Year Bonds	
Cochrane, Murray & Co. / Dyment, Anderson & Co.	99.75
Eastern Securities Co. / Wood, Gundy & Co. / A. E. Ames & Co. / Dom. Securities Corp.	99.25
Mills, Spence & Co.	98.75
Bell, Gouinlock & Co.	98.60
F. J. Brennan & Co. / McLeod, Young, Weir & Co.	98.02

Bond Redemptions

Bond Issues:	Rate	Year	Due	Price
Riordon Pulp	‡6%	1942	Dec. 31	105
Mississippi River Power	*5%	1951	Jan. 1	105
Aluminium	▲5%	1948	Jan. 1	103
Eastern Car	†6%	1952	Jan. 1	105
Can. Foundries	■6%	1942	Feb. 2	110
Nfld. L. & Pr.	5½%	1971	Dec. 10	104

For sinking fund purposes: ‡$85,900. *$152,900. †$40,000. ▲$3,000,000. ■$38,000.

Bond Tenders

4 p.m., Dec. 14, Salaberry de Valleyfield, P.Q.—$40,000, 4%, dated Nov. 1, 1938, redeemable serially, 1939 to 1968. Charles Codebecq, clerk.

12 noon, Dec. 1, Toronto—$2,761,000, as follows: $1,100,000, 2% serial maturing 1939-42; $521,000, 2% serial maturing 1939-43; $442,000, 2¼% serial maturing 1939-48; $698,000, 3% serial maturing 1939-58, all dated Dec. 1, 1938. Ralph C. Day, mayor.

Can. Breweries Profit Higher

More Than Covers $3 Preferred Dividend in Past Year

Preliminary and unaudited report of Canadian Breweries Ltd. for the three and 12 months ended Oct. 31, 1938, shows an increase in net profits over the corresponding periods a year ago. The company's year ended Oct. 31, and net profit, before provision for income taxes and minority interests, was equivalent to $3.96 a share on the preferred against $3.41. Dividends of $2 were paid, leaving arrears at $5.25 a share at Oct. 31, 1938.

E. P. Taylor, president, announces that the company has now acquired more than 50% of the outstanding stock of Canada Breweries and Reinhardt Brewery Co. This was reported in The Financial Post some time ago, but not officially confirmed.

Balance Sheet Changes

Balance sheet as at Oct. 31, 1938, shows working capital down about $300,000 to $1.4 million. Among current assets, cash is up to $369,409 from $109,811 and investments reduced to $296,020 from $844,278. Inventories are up to $1.8 million from $1.5 million. Bank loans are up to $625,283 against $200,000, income taxes are shown at $199,639 and accounts receivable are down to $472,691 from $738,534.

Reflecting the consolidation of the two new subsidiaries, total assets are up about $1.2 million to $10.5 millions. Fixed assets, after depreciation amount to $7.1 millions compared with $5.9 millions. Funded debt has been reduced $100,000 to $1.2 million, but a mortgage payable of $34,600 makes its appearance. Minority interest in subsidiaries has risen to $1.1 million from $278,627.

Comparative profit and loss accounts for the three and 12 months periods follow:

Three Months Ended Oct. 31

	1938 $	1937 $
Profit from oper.*	352,829	300,572
Add: Other income	65,147	23,838
Gross earnings	417,976	324,410
Less: Depreciation	105,952	77,859
Interest	25,656	22,438
Net profit*	286,368	224,113
*Before provision for minority interest and income taxes.		
Earns. per Share:		
Preference: Earned.	$1.75	$1.37
Paid	0.50	0.50

Twelve Months Ended Oct. 31

	1938 $	1937 $
Profit from oper.*	1,129,943	859,810
Add: Other income	93,569	102,901
Gross earnings	1,223,512	962,711
Less: Depreciation	474,766	305,879
Interest	102,050	100,142
Net profit*	646,696	556,690
*Before income taxes and provision for minority interest.		
Earns. per Share:		
Preference: Earned.	$3.96	$3.41
Paid	2.00	1.75
No. of Shares Outstanding:		
Preference	163,428	163,428
Common	674,667	673,861

Rail Earnings Up in October

Both C. N. R. and C. P. R. Have Better Results Than Last Year

From Our Own Correspondent

MONTREAL. — Net earnings of both the Canadian Pacific and Canadian National Railways increased in October over the same month last year.

In the case of the C.P.R. the increase was entirely due to a rise of $2.2 millions in gross revenue. At the same time expenses increased by $438,058 so that net earnings were $1.7 million higher. Cumulative returns for the first 10 months shows the decline in net earnings of the C.P.R. reduced to $3.9 millions.

Higher revenues and lower expenses contributed to the improved showing by the C.N.R. Gross earnings were $606,796 higher and expenses $612,489 lower so that there was an increase of $1.2 million in net. For the first 10 months net earnings amount to only $2.1 millions, a decline of $11.7 millions from the same period of 1937.

Comparative figures for October and the 10-month period are given below:

C. P. R. Earnings
Month of October

	1938	1937
Gross earnings	$16,934,547	$14,729,165
Working exps.	10,888,116	10,450,058
Net earnings	6,046,430	4,279,107
Ten Months Ended Oct. 31		
Gross earnings	$117,280,682	$119,831,155
Working exps.	103,903,458	102,478,107
Net earnings	13,377,224	17,353,048

C. N. R. Earnings
Month of October

	1938	1937
Oper. revenues	$19,935,153	$19,328,357
Oper. expenses	15,284,292	15,896,781
Net revenue	4,650,861	3,341,576
Ten Months Ended Oct. 31		
Oper. revenues	$150,272,587	$165,403,656
Oper. expenses	148,076,980	151,444,218
Net revenue	2,195,607	13,959,438

Simpson's Sales Below Last Year

Mild Weather has Adverse Effect on Company's Business

Sales of Simpson's Ltd. in the year to date are running slightly below those of 1937, due chiefly to the unseasonably mild weather experienced in October and the first three weeks of November.

As the company nears the Christmas season, the period in which the greatest portion of the company's profits are earned, indications are that trade will be exceptionally good, probably comparable to 1937, when the best year since 1931 was experienced. Business has improved considerably in the last week.

Definite predictions on the year's business are difficult to make because of the importance of the remaining month. The amount of business transacted in this month will determine the company's position at its year end.

Empire Relations Conference — No. 2

Immigration Complications

Falling Birth Rate Changes Picture —Large-Scale Migration Days Ended

The second British Commonwealth Relations Conference, organized by the Royal Institute of International Affairs and the affiliated Institutes in the various Dominions, was held in Sydney, Australia, in September. The purpose of the conference was to consider problems of Empire co-operation.

Professor K. W. Taylor was a member of the Canadian delegation, and was also official recorder of the conference in its sessions on economic policy.

This is the second of three articles he has written for The Financial Post summarizing the discussions on trade, migration, currency and finance.

By K. W. TAYLOR
McMaster University, Hamilton.

The British Commonwealth Relations Conference at Sydney gave serious consideration to the problems of population and migration. The printed documents submitted to the Conference by each delegation, and the lengthy discussion in the Conference itself clearly indicated a generally accepted conclusion that the mass migration of white populations within the Empire is passed.

In the first place, Great Britain no longer has the surplus population to send. The present birth rate in England is very considerably below that required even to maintain a stationary population. If we take 100 to represent the fertility rate necessary to maintain a stationary population, the 1936 rate in England was 75. Even in 1926 the rate was only 88, and it has been falling steadily. This means that after 1940 or 1945 (when the effects of the high birth rate of the Victorian era have disappeared) the population of England will begin to fall fairly rapidly.

Proportion of Old Men Growing

By 1975 England's present population of 40,000,000 without any further migration will have declined to 30,000,000 or 35,000,000. This change also means a greatly increased proportion of persons over 60, and a greatly decreased proportion in the effective working years of life.

Great Britain, therefore, is unlikely to welcome or encourage large-scale emigration, because it can ill afford the departure of any considerable number of the age that the Dominions want. Statistics also show that England has for the time being become, in balance, an immigrant-receiving country. In the years 1930 to 1936 the net immigration into Great Britain was 410,000.

About half of this net immigration into Great Britain comes from Ireland. Net immigration from Ireland is between 30,000 and 40,000 a year, chiefly to England. Irish speakers deplored this loss of population, which is largely composed of men and women between 20 and 30 years of age. The Irish Government is doing its utmost to develop economic policies which will enable these people to live at home.

In the second place, even if the British Isles had people to send, it was not believed that the Dominions could absorb any large numbers each year. Australian and New Zealand speakers spoke of their policy as a policy of "migration by retail." Both these countries believe they can absorb a few thousand immigrants of selected types each year.

Skilled Workers Wanted

New Zealand wants skilled industrial workers to assist in its policy of developing manufacturing industries. Australia's wants are also confined to specialized types; domestic servants, skilled workers, and fruit growers or cattlemen with capital to settle in the tropical and sub-tropical areas of Queensland.

Neither country believes it can absorb any large numbers of unskilled workers either in industry or in the land. South Africa has largely the same point of view, and is particularly interested in men with considerable capital for land development.

British Labor Policy

In the discussion of the migration of skilled industrial workers, British labor leaders pointed out that trade union policy in England restricted the numbers of youths apprenticed to the skilled trades to the estimated number that could be absorbed in the industry. If the Dominion wanted such skilled labor they would have to negotiate in a reasonably long term and guaranteed basis with the unions and with the Government. The unions would willingly increase the members entering such trades if the Dominions would guarantee to absorb an agreed number.

They also suggested that it would be fair and proper for the Dominions to bear some part of the financial costs of such training. The migration of an average skilled worker, it was pointed out, is equivalent to the transfer of a $10,000 capital asset.

In Australia and New Zealand the population and migration problems differ from those in Canada and South Africa because of their low birth rates, which are below the level necessary to maintain the present population. The reproduction index in New Zealand is 98, and in Australia it is 95.

Canadian Birth Rate

Canada and South Africa, on the other hand, have, for the present at least, satisfactory birth rates. The reproduction index in Canada is 130, and in South Africa it is 120; but both rates are falling fairly steadily, and their relatively high levels are due in large measure to the high fertility rate of the non-British. (If there is no migration, and if present birth and death rates continue, Canadians of French origin will outnumber Canadians of British origin in 1970.) In Canada the absorption capacity of the country in a normal year probably is about 10,000 or 20,000 greater than the normal excess of births over deaths.

The general conclusion, at this point, thus appeared to be that Great Britain has little or no population to spare for migration, and that the absorption capacity, or the needs of the Dominions even in relatively prosperous years are for only a few tens of thousands of people a year.

Immigration to the Dominions from the so-called "preferred" sources, that is the northwestern European countries, is unlikely to be substantial because in all these countries the birth rate is now below the level required to maintain the present population. Migration from central, southern or eastern Europe is not always permitted by these governments, and it is of a type that has generally been held in low social esteem in the Dominions.

Refugee Problem

On a number of occasions the possibility of accommodating considerable numbers of refugees in the Dominions was raised. The tone of these discussions was in all cases most sympathetic, but some practical difficulties had to be faced. New Zealand, for example, reported that the great majority of the refugees' applications for admission were from doctors, lawyers, professors and other professional men, and that New Zealand could not possibly absorb more than a few dozen of such men.

New Zealand universities already produce more good professional men than can be absorbed at home, and her steady export of "brains" has for some years been a source of concern. Australia has already accepted several hundred refugee families and is ready and anxious to get more of the specialized types, e.g. experts in the wine industry, skilled metal workers, etc. Australian newspapers in September were also talking of the possibility of setting aside a moderately large zone in one of its more healthy tropical areas for refugee settlement.

In general, it may be said that the Dominions would approach the refugee settlement problem with sympathy and co-operation, but in the present state of their finances they could not undertake the heavy capital costs that would be essential to any successful large-scale settlement.

Indian Immigration

The only other immigration question to receive the detailed attention of the conference was that of the status of Indians. The Indian delegates lost no opportunity of pressing their claims to equality of status. They agreed that large-scale Indian immigration to settled "white" areas was impracticable, but they protested vigorously against exclusion acts, and asked insistently for at least a "token quota," of only a hundred a year, to remove the stigma of Asiatic inferiority.

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TORONTO MONTREAL

Winnipeg Electric Net Records Gain

Lower Expenses Offset Drop in Gross for October

From Our Own Correspondent

MONTREAL.—Winnipeg Electric Co. reports gross income in October of $551,383, a decrease of $13,069 over the same month last year. However, lower operating expenses enabled the company to show that earnings of $236,655, an increase of $2,125 over October, 1937.

Cumulative returns for the 10 months ended October 31 show a decline in gross income of $161,120 to $5,364,770. This loss was partly offset by lower operating expenses and taxes, leaving net earnings at $2,188,948. This contrasts with $2,243,122 for the first 10 months of 1937.

Comparative figures follow:

October

	1938 $	1937 $
Gross earnings	551,383	564,452
Oper. exps. & taxes	314,728	329,922
Net earnings	236,655	234,530
Ten Months Ended Oct. 31	$	$
Gross earnings	5,364,770	5,525,890
Oper. exps. & taxes	3,175,822	3,282,768
Net earnings	2,188,948	2,243,122

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November 28, 1938

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TORONTO, DECEMBER 3, 1938

The Financial Post Editorial Platform for Canada

The duty of political leaders is to lead; to give direction to public opinion; to act with courage in matters of public policy; to combat inertia in the conduct of the nation's business.

The Financial Post stands for LEADERSHIP of this kind in Canada.

Such leadership is essential to preserve our free and democratic institutions. It is urgently needed, now, in Canada, in order to:

1. *Eliminate waste in public business.*
2. *Put idle resources of manpower and materials to work.*
3. *Maintain financial integrity in meeting public and private obligations.*
4. *Promote a spirit of national unity in place of conflicting sectional loyalties.*
5. *More efficiently organize Canada's trade.*

"Canada Calling" at Home

IN BRITAIN, this country is promoting a "Canada Calling" campaign. Its purpose is to tell Britishers more about Canada; make them more eager for the good things this country has to offer.

Originally, the campaign started in Glasgow, moving down through key centres. This year it has been concentrated in and about London, our greatest individual market overseas.

Cost to the Government of this "Canada Calling London" campaign will be about $300,000. Other "tie-ups" are arranged cooperatively by private organizations.

If by a "Canada Calling London" campaign we can do a good selling job overseas for this dominion, why not a "Canada Calling Canada" campaign at home?

In almost every community in the Dominion there is a selling job for "Canada" to be done. Young men and women are growing up who have little of the enthusiasm or knowledge of Canada that their forebears had.

They hear talk of secession and provincial "rights." They see waste and drift in public affairs. They see jobs that need to be done, side by side with idleness and "relief."

Such a campaign need not cost very much in dollars and cents. The chief outlay would be for leadership.

To be successful it would mean a contribution from every political leader by way of courage, vigor, plain speaking. It would mean the doing of jobs that have been left undone because they were "politically impossible." It would mean the molding of public opinion by political leaders rather than their sitting back until public opinion takes matters into its own hands.

Have we overlooked the 11,000,000 market within our own doors in our "Canada Calling" campaigns?

Why not try a "Canada Calling CANADA" campaign?

Canada Ranks High in Britain

TRIBUTE to the regard which Great Britain holds for Canada was voiced the other day by A. E. Phipps, president of the Imperial Bank, at the annual meeting at Toronto.

Mr. Phipps quoted from a recent article in the London Evening Standard:

> "It is doubtful whether there is any economy in the world which is so well balanced as that of Canada. That country has vast mineral resources, vast agricultural areas and timber resources.
>
> "The long winter is of course a factor in unbalancing the economy, but taken all in all it is doubtful whether there is at present a better place for money.
>
> "In addition there is the fine Scotch Canadian banking system and a security from war which no other country has."

Perhaps it was the tribute to the "fine Scotch Canadian banking system," which caught Mr. Phipp's eye.

In any event, Canadian banks, insurance companies and similar financial institutions are doing excellent work in creating a solid and increasing appreciation in Britain as to the merit of this country as a place for investment.

The Rowell Commission

THE Dominion Government has finally taken action in accepting the resignation of Chief Justice Rowell as chairman of the Royal Commission on Dominion-Provincial Relations. The new chairman, Dr. Sirois, will carry with him the good wishes of every Canadian.

Even though Mr. Rowell's illness prevented him from completing his work, this important study will be remembered as the "Rowell Commission"—a natural recognition of the enthusiasm and genius which he brought to its deliberations.

What must now be done is to make certain that this body lives up to the high traditions it inherits from its former chairman.

If a "Rowell Commission" is to be worthy of its name and is to perform the maximum service to Canada, it should lose no time in bringing its deliberations to a head.

As recently urged in The Financial Post, there is no reason why this commission should not have passed already some of its findings through to Ottawa.

Perhaps it is not possible to expect a final report from this body until some time in 1939. But there are many matters of great urgency on which the commission should and could make interim recommendations, so that proper legislative action could be expedited during the coming winter.

A Lesson in Transportation Finance

SPEAKING recently to the Triennial Conference of Railroad Y.M.C.A.'s, Hon. C. D. Howe, Minister of Transport, made a constructive point when he deplored the fact that while Canadians are willing to dwell on the cost to the taxpayer of railway transportation they are too anxious to forget the cost of competing forms of transportation.

He cited figures to show that during the past eight years the average expenditure on highways for interest, construction and maintenance was $90.4 millions annually. In the same period, the amount collected in gasoline and license taxes was only $38.6 millions. The annual outlay to the taxpayer on highway account, according to Mr. Howe's reckoning, would be $51.8 millions.

Added to this is the cost of canals. In interest charges and operating cost they make a further drain of $20 millions annually on taxpayers. On top is a further large sum for aids to navigation, public docks and government dredging.

Apart from reservations as to whether or not the highway cost figures cited by Mr. Howe tell the whole story of what is happening in that form of transportation, it seems strange that Canada's Minister of Transport should use these staggering totals to lull taxpayers into a false sense of security about the state of railway finance in this country.

Ottawa has no jurisdiction in the field of highway transportation. But it has jurisdiction in the railway field and over our canals.

Mr. Howe would have done his listeners and the country at large a greater service if he had announced what his Government is prepared to do about putting railway transportation on a profitable basis in Canada.

Seeking Out Municipal Leaders

ON MONDAY, December 5, thousands of Canadians will go to the polls to vote for municipal leaders and express their views on municipal plans and projects.

Municipalities, especially smaller municipalities, are the kindergarten of political leadership and public life. As pointed out recently by Hon. Eric Cross, Ontario Minister of Municipal Affairs, municipalities were the first to feel the revolt of public opinion against high taxation. The larger the jurisdiction the longer it takes public opinion to mobilize and translate its thoughts into action.

Canada needs more political leaders who will lead rather than follow; who will steer their own course rather than wait for the slow-moving tide of public opinion.

Voters who go to the polls in forthcoming municipal elections can best serve their community by giving their support to men who give evidence of this type of leadership.

Markets for Our Wheat

A THEORETICAL disappointment in the United States trade agreement was retention of the American wheat tariff at the absurd and prohibitive level of 42 cents per bushel.

The president's powers limit him to tariff changes up to 50% only. He could not reduce the wheat tariff by more than 21 cents, without referring his whole agreement to Congress. This would have led to log-rolling, delay, probable failure. It was decided, apparently, not to bother with the item at all.

But something will have to be done about similarly high wheat duties in Europe, if Canada is ever to regain former markets.

Our average wheat crop in this country is 350 million bushels. Often we harvest more. Average domestic consumption for all purposes is just over 100 millions. We need, therefore, an annual export of 250 million bushels.

Under normal conditions this surplus would go to Europe. Great Britain, Germany and Italy would be the major buyers. Great Britain still welcomes our wheat, but both Germany and Italy maintain high tariff barriers.

The Searle Grain Co., of Winnipeg, maintains that these European barriers were erected as a result of previous high tariffs on this continent. Self-sufficiency was forced on the dictator countries, not by the dictators themselves, but by the democracies which refused to accept continental European goods in exchange for wheat. This solution is advanced:

> "... the lowering of existing tariffs throughout the world, the suppression of quotas and the removal of foreign exchange controls, all so that international trade between the countries of the world might be expanded at least to the volume recorded a few years ago.
>
> "Inasmuch as the democratic countries were the first nations after the war to start raising tariffs to exorbitant heights, they should be the first countries to bring about the tariff reductions."

Progress was made in this direction in the new trade agreements. But that progress is limited.

Mr. Roosevelt's hand is tied by his 50% tariff-cutting powers. He is reluctant to deal with dictators. The new agreements do not (except indirectly) help sell Canada's surplus wheat.

With threat of war prolonging national self-sufficiency in Europe, a wheat marketing solution is not going to be easily discovered. But discovered it must be if Canada is to maintain its present economy.

Wheat is the natural crop of the three Prairie Provinces. Our wheat industry is worth holding. We cannot meet the problem by the palliative of a costly annual subsidy from the public purse. Somewhere, somehow, Canada must find enlarged outlets and markets for her wheat.

Whose Vessels Are They?

SHOULD Canada contribute to the support of the British navy? A member of the staff of The Financial Post, recently in London, was asked by many English people when Canada intended to carry its "share" of the load of protecting Canadian shipping on the North Atlantic.

This question is one capable of provoking a prolonged discussion in any group. In the ensuing argument there is one factor that is likely to be overlooked. Not a determining point, it is nevertheless important.

The ships on the North Atlantic that carry cargoes between Canada and the United Kingdom are British ships. The Post staff man came home on a C.P.R. ship. It had been built in Britain and was of British registry. It carried a crew of 381, of whom only one was a Canadian. That man was the railway ticket agent!

In the 12 months to March 31, 1937, 911 vessels of British registry, carrying cargo, entered Canada with 1,523,557 tons of freight from the United Kingdom. The vessels were manned by a crew of 114,211.

In the same period, one vessel of Canadian registry, carrying cargo, with 75 tons of freight and with a crew of 39, entered Canada from the United Kingdom.

Editorials in Brief

The guiding policy of press control in Germany is "to clear the path for reason and understanding in the field of international journalism." So says Dr. Dietrich, Reich press chief, who urges as the motto for every journalist: "Respect every man's country, and love your own."

The bitter and inspired attacks in German press on the good faith of President Roosevelt, and other statesmen of the democracies that have succeeded the venomous accusations against President Benes are bound to inspire some doubts as to Dr. Dietrich's sincerity.

• • •

The Japanese Legation has sent a questionnaire to Canadian newspapers asking for particulars of their owners, editors, circulation, etc.

It is not likely to receive many replies.

When the Japanese Legation last sought this information many newspapers suspected that the facts were wanted to assist the legation in propaganda work in Canada.

Like the Germans, the Japanese are curiously inept in their relations with foreign newspapers.

• • •

Speaking to the Canadian Club at Montreal last week, Sir Gerald Campbell, British High Commissioner in Canada, emphasized the fact that "public opinion is necessary in a democracy but it is always two years behind a dictatorship."

What is needed in Canada is leadership which will mold and lead public opinion rather than be content to let it drift willy-nilly.

Sayings of the Week . .

"A lawyer is not necessarily a good valuer."—*The Marquess of Lothian.*

• • •

"The evil of Western civilization is its infectiousness."—*C. E. M. Joad.*

• • •

"The greatest peril to social reform is financial recklessness."—*Alfred M. Landon.*

• • •

"Clemenceau was not the stuff that kneels on penitent forms."—*Mr. Lloyd George.*

• • •

"Manners and morals are not what they were, but then they are always changing."—*Otis Skinner.*

• • •

"Popular songs express the feeling you get about the way the people feel themselves."—*Irving Berlin.*

• • •

"We are still far from having created that healthy, happy Britain which is our constant aim."—*Anthony Eden.*

• • •

"The task of democracies will be to demonstrate that international gangsterism does not pay."—*Premier Hepburn.*

• • •

"Our present day dissensions are due largely if not entirely to economic or financial causes."—*T. D'Arcy Leonard, K.C.*

• • •

"Debt is the mother of debt charges and debt charges are the stepmothers of starved public services."—*Dr. Horace L. Brittain.*

• • •

"The United States is not only secure, but reasonably self-sufficient, and you cannot say this of any other country."—*J. B. Priestley.*

• • •

"It is unnecessary — perhaps dangerous — in medicine to be too clever."—*Dr. Robert Hutchinson, President of the Royal College of Physicians.*

• • •

"In both business and diplomacy you have something to sell, and you have to make it palatable, attractive, to the other man."—*Myron C. Taylor.*

• • •

"What is Government doing to solve some of the major problems of business in return for all that business contributes to Government?"—*Kris. A. Mapp, Toronto.*

• • •

"A municipality—unlike a federal or provincial government—cannot for long operate with annual deficits."—*Hon. Eric Cross, Minister of Municipal Affairs, Ontario.*

• • •

"Economic nationalism is the natural and inevitable consequence of the complete change that has taken place and is still taking place in our whole outlook."—*L. M. Amery.*

• • •

"Even among the most backward races of Africa our main effort should always be to try to help peoples to stand a little more securely on their own feet."—*Malcolm MacDonald.*

• • •

"It must be remembered that life insurance companies live not only by revenue but also by the goodwill of the public."—*George D. Finlayson, Dominion Superintendent of Insurance.*

• • •

"If you try to run together a good currency and an inferior one, the inferior one will drive the good one out of the country, and you will be left with the 'dud stuff. It is exactly the same in language.'"—*Earl Baldwin.*

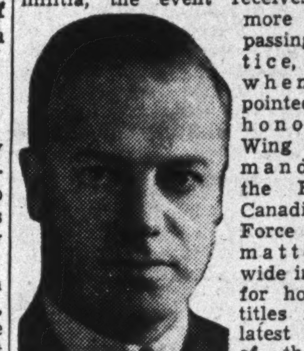
• • •

"It is a complete illusion to think that there is a French crisis and a German crisis and an English crisis and an American crisis and an Argentine crisis. There is only one crisis which expresses itself under different conditions and limitations in each country, but at bottom the causes and their effects are absolutely one and the same."—*Dr. Nicholas Murray Butler.*

DIOGENES IN SEARCH OF A LEADER —Cartoon by Grassick.

Post-Scripts . . . .

Hon. Wing Commander


—Blank & Stoller.
VICTOR DRURY

When a man is appointed an honorary colonel in the Canadian militia, the event receives little more than passing notice, but when appointed an honorary Wing Commander of the Royal Canadian Air Force it is a matter of wide interest, for honorary titles in the latest branch of the defense forces are few and far between.

This signal honor goes to Victor Drury, a well-known Montreal financier and industrialist who has been much to the fore of late in connection with the British Government aircraft orders.

Victor Drury is better known as an investment dealer than as an industrialist. Born in Quebec City, he attended school in Kingston. After leaving Queen's he entered the bank of Montreal in 1902. Six years later he joined the Montreal Trust Co. for a few months and then swung over to Royal Securities Corp., the training school for many Canadian investment dealers. In 1924 he formed his own company which achieved a certain measure of fame because, among other things, of its name—Drury and Co: no period after "Co."

In this work he became associated with a large number of corporations and in particular, with three well-known individuals: R. B. Bennett, ex-Prime Minister of Canada and largest shareholder of the E. B. Eddy Co.; Max Aitken, who later became Lord Beaverbrook and owner of the world-famous London Express; and Archibald R. Graustein, one-time tycoon of the pulp and paper and power business.

Through these and other associates, Victor Drury's name appeared on the boards of directors of many companies. Among them is Canadian Car and Foundry Co. When W. M. Butler died, Drury was elected president. Since then he has devoted the greater part of his time to Canadian Car's operations, though the investment firm of Drury and Co continues in operation.

In his capacity as president of the Car Company, Victor Drury has been largely responsible for that company's growing and important interest in aircraft manufacturing. His appointment as an honorary Wing Commander was due in part to this interest in aviation and, no doubt, to the fact that his father was a high ranking officer in the permanent militia.

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Big B. C. Tory

A few years ago a young Indian was accused of running away with another man's wife. There was a great scandal about it among the Indian tribes of Vancouver Island's west coast, because the young Indian was the son of Chief Moses.

R. L. MAITLAND

To defend the Indian a young Vancouver lawyer, R. L. ("Pat") Maitland, was engaged. Maitland discovered that the Indian had merely recovered his own wife and promptly had the prisoner released.

"I won't forget you," said Chief Moses after the trial. "I'll send you a totem pole."

Two years later the totem pole arrived. Pat Maitland hadn't been forgotten.

Nor is British Columbia likely to forget him, because Mr. Maitland, who is still red-headed and retains a boyish charm, has the knack of keeping almost continuously in the public spotlight.

He now sits in the provincial legislature as leader of the Opposition. No one in the house has a sharper tongue for repartee, a keener knowledge of parliamentary procedure, a more effective flair for oratory. He is easily one of the dominant figures in a house which happens to be unusually colorful just now.

The Kamloops convention of the Conservative party handed Maitland the leadership. His only opposition, friendly in nature, was from Herbert Anscomb, big-shouldered Victoria manufacturer who sits beside him in the legislature. For a while it wasn't certain that Maitland would be leader of the opposition. The C.C.F. was equally as strong. When Rolf Bruhn of Salmon Arm decided to return to the Tory tent the Conservatives became the major wing of the opposition and Maitland stepped automatically into the leadership.

While Maitland may be new as a leader he is an old hand at politics. He came west from his native Ingersoll, Ont., in 1890 as a baby. He was called to the B. C. Bar in 1913 after distinguishing himself as a student and as president of the Law Students Society. He served a few years as a city prosecutor. In 1911 he was named secretary of the Vancouver Conservative Association. In 1922 he was president of the provincial organization and in 1924 a candidate for the provincial legislature.

That year the Conservative party's fortunes were at ebb-tide. The organization had been split by dissension and Major General A. D. McRae was running a Third Party. The Third Party didn't get very far, but it did split the Conservative vote, and Maitland was among the unsuccessful candidates. Four years later he was elected, and the late Dr. S. F. Tolmie, then premier, made the Vancouver lawyer a minister without portfolio. Since then he has been a fixture in provincial politics, though his party was routed in 1932 and he has since been in the shadows of minority.

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Everyone in Vancouver knows Pat Maitland, but he knows every part of the province. At the party convention most of his strength came from the interior, where he had often campaigned for other candidates. He is president of half a dozen athletic organizations and this has helped win him a world of friends.

He has aspirations to the premiership, obviously, but he is likely to be a voice in federal politics before long. Addressing a meeting in Toronto last October, he denounced Mr. King and Mr. Hepburn for favoring closer relationships with the United States. Maitland is an Empire man.

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Largest Bible Class

Each week, at what this year's president of the class, calls the "sleepiest and most horizontally inclined hour of the week," the York Bible Class meets in a Toronto church. With 1,975 members, of whom an average of 1,200 attend each Sunday afternoon's meeting, the class is believed to be without a parallel anywhere in the world.

DENTON MASSEY

Leader of the class is Denton Massey, 38-year old M.P. for a Toronto riding, who was one of the contenders for the Dominion leadership of the National Conservative party at its convention in Ottawa this year.

Denton Massey is a graduate engineer, but not an active one, although he was at one time superintendent of the Massey-Harris plant at Toronto.

An occasional cynic lays Mr. Massey's interest in his giant bible class to a desire for publicity. We are inclined to feel rather that the influence of his father and mother was the motivating force.

Until her death earlier this year, Mrs. W. E. H. Massey was the "mother of the class." Mr. Massey, Sr., was himself the leader of the Young Men's Bible League of Central Church, Toronto. When he died, Denton was about one year old. But the son, when a few years ago he wrote a book based on some of his Bible Class talks under the title of "The Stuff Men Are Made Of," dedicated it to his father.

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Denton Massey taught his first Sunday School class at 14. When he went to Boston to study engineering at Massachusetts "Tech" he was active in the work of the College Christian Association. He returned to Toronto, determined to lead young men to the church through interesting them first in the principles of the church. At the age of 23 he was invited to lead York Bible Class. He has made it what it is today.

Last week, Denton Massey's Bible Class touched the high spot of its career when it had as the main speaker at its fourteenth annual banquet a former president of the United States, Herbert Hoover. Mr. Hoover made the trip to Toronto as a personal tribute to Mr. Massey and in recognition of the young M.P.'s work among older boys and younger men.

A vast radio audience in Canada heard Mr. Hoover's fine spiritual message to the world. Since it was not possible to get the air until 10.30 Mr. Massey was faced with the tough job of keeping his vast audience of 1,600 young men and 100 guests interested for three hours.

He invited top men in all the important churches of Canada and leaders of public life to speak for five minutes each. Brilliant preachers and orators, accustomed to talking from half an hour to two hours at a time, competed with each other to compress the largest amount of wit and wisdom into five minute capsules. The time passed quickly and profitably.

Most oratorical of the speakers was Rabbi Maurice Eisendrath; richest in his store of words was Rt. Hon. Arthur Meighen; most musical was Chief Justice Albert Sevigny, who led in the singing of "Alouette"; wittiest was Leonard Brockington, K.C.; most impressive was Bishop R. J. Renison; most practical was Hon. Clarence D. Howe; most genial was Hon. R. J. Manion; most inexperienced was Col. Fraser Hunter—a soldier not a speaker; most silent was Father McGrath, who smiled but did not speak at all.

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Mr. Massey himself speaks with vigor and showmanship. Mr. Hoover had the most challenging message and had penned the most spiritual of the orations. But he has an unimpressive platform manner, speaks without color and without change of pace. The greatness of his intellect and the depth of his sincerity were not adequately measured by the impact of his address upon his audience.

In his remarks, Mr. Howe forecast that Denton Massey would some day hold a high place in Dr. Manion's cabinet. That he will ultimately move forward from the back benches seems inevitable. When Agnes MacPhail, M.P., labelled him the handsomest man in the House of Commons she might easily have ruined his career. But he has survived her unkind attack, and seems to have lost nothing of political prestige as a result of it.

As Others See Us . . . .

It's Like That, Sometimes!
Digby Courier

Most people are weary unto death of hearing about, and seeing pictures of one, Adolf Hitler. In short, we're fed up.

But there is another man who is hardly ever heard of, let alone seen on the screen or in the papers. He is Dr. Schact, president of the Reichsbank. He is the man who performs the financial miracles which make it possible for the Reich to pursue its programme of economic mobilization. So says Floyd S. Chalmers, Editor of The Financial Post, who has been in Germany.

It's like that sometimes! One man is out front; he postures and shouts and beats his breast. The other stays quiet and finds the money.

Creditable Edition
Creemore Star

The Financial Post of October 29 carried a special section devoted to the history of the telephone and the amazing development of voice communication. This edition was a most creditable accomplishment. The history of the earliest experiments with voice transmission, including the ultimate triumph of Mr. Alexander Graham Bell who made the first successful test at Brantford, Ontario, in 1876, right down to the telephone's newest baby the radio is given in detail.

The telephone of today is an accepted necessity. It has turned the world into one large neighborhood. It is no longer necessary to be isolated no matter where on this old planet you choose to make your abode. Voice transmission by telephone or radio brings news from the most out of the way places to your fireside.

It is interesting to note the fact that in such a triumph of modern science, Canada has made a real contribution and Canadians are the most telephone-minded people on earth.

Stop Me If . .

Recently an important official after some years in Cairo was leaving for England. On the last day his small son asked to be taken to see Gordon once again. (There is in Cairo a more than life-size statue of Gordon riding a camel.) The little boy stood in front of the monument, and said with visible emotion: "Good-by, Gordon, good-by."

His father was gratified and touched by this evidence of patriotism till, as they walked away, the child asked, "Who is that man sitting on top of Gordon?"—The Spectator.

The Bren Gun Enquiry

Questions and Answers
The Western Producer, Saskatoon

When a member of parliament directs a question to a cabinet minister, a question, that is, which is in order and framed according to the rules, he is entitled to a reply and usually he gets it. That is one means whereby the House of Commons and the country may keep informed about what is afoot.

However, there are still many ways of killing a cat besides choking it with butter and there seem to be ways of answering questions which not only do not give information but are, in fact, calculated to mislead rather than to inform.

This fact was neatly illustrated during the course of the enquiry into the Bren gun contract. . . .

Suspicious of Patronage
New Glasgow (N.S.) News

Some findings have come out of that Bren gun affair which just do not smell right. There is a suspicion that political patronage played a large part. The Inglis Company obtained orders in England on the strength of a Canadian Government recommendation; orders in Canada on the basis of the British order. A case of chasing around the stump.

The British dislike doing national defence business that way. They also have a horror of becoming involved in Canadian or any other dominion's political scandals . . .

Their orders are important. Britain needs the guns, planes and munitions. So does Canada. By buying together in quantity they can get a much cheaper price. And the Canadian workman gets a lot more work.

The Bren Aftermath
Winnipeg Tribune

Officials of the Department of National Defence at Ottawa not unnaturally have the jitters over the Bren gun enquiry. One "high-ranking official" told The Canadian Press:

> Very grave anxiety is felt in Canada whether or not Britain will continue to place arms orders in this country.

But this is a consideration which should have been in the minds of the Department of National Defence at the time when the Bren gun contract was placed. It was clearly of great importance that the very first contract awarded should have set a high standard and have been put beyond criticism. . . .

Uncanny Timeliness
Timmins Press

The Bren machine gun enquiry came along with a timeliness that was positively uncanny to show Canadians that although they may have thought that the Government had some plan of conscripting industry in the production of war materials, no such plan is in existence . . .

That any portion of the Drew article should have been used to accelerate sales in the John Inglis Company by a brokerage house seems to indicate either a fatuous lack of knowledge of public psychology or a cynical appraisal of how little public opinion really counts.

Manufacture of Arms
Moncton Times

As the Bren gun enquiry continues at Ottawa, the general attitude of Canadians is surely becoming more emphatic against the private manufacture in this Dominion of armaments for profit.

Fortunes were rolled up in this country out of war and the manufacture and sale of war supplies. It must not happen again. And in peace time, as in war time, the Canadian people insist upon government manufacture of all arms and munitions made in this country.

The Right of Criticism
Cobourg World

That the freedom of the press is still unimpaired in Canada was amply demonstrated last week by Mr. Justice Davis. His answer to a protest concerning criticism of the Bren gun enquiry over which he is presiding was a firm statement of the law in this matter.

The right of open criticism is one of the chief safeguards of our democratic freedom, but it seems in these days to need constant vigilance for its preservation. Words such as those of Mr. Justice Davis help to keep it safe.

Public Demand
Halifax Herald

It has developed through the Bren machine gun enquiry at Ottawa that, while the negotiations for this contract "were going forward in late 1936 and early 1937, the Department (of National Defence) had before it recommendations from General E. C. Ashton, Chief of the General Staff, that the Canadian Government should organize for small arms manufacture in its own arsenals."

General Ashton's recommendations are exactly what the great majority of the Canadian people would desire to see carried out. For the great majority of the Canadian people, we are convinced, are opposed to private profits from the manufacture of arms and munitions or any other form of the machinery of war.

Bren Gun Entanglements
W. L. Clarke in Windsor Star

The Bren gun enquiry at Ottawa is beginning to get as hot as the old Ross rifle used to be after a few rounds of rapid fire. One of the strangest of all circumstances is the relationship between Hon. Ian Mackenzie, Minister of Defence, and Major Hahn, D.S.O., M.C., the man who had the "inside track" on the contract.

On July 1, 1938, Rt. Hon. R. B. Bennett was questioning Mr. Mackenzie closely in Parliament. In reply to a query about the Bren gun contract and Major Hahn, Mr. Mackenzie said: "I want to say in the second place that the minister (that is Mr. Mackenzie himself) cannot take the slightest credit for the contract, and the minister never sat in on any of the negotiations and never met Major Hahn until after the contract was signed."

Yet when Major Hahn went to England to try and get the Bren gun contract, the major was armed with a personal letter from Mr. Mackenzie to Mr. Massey in London and the major was later described as a representative of the Canadian Government. Yesterday Mr. Mackenzie said he evidently had been introduced to Major Hahn two years ago.

Week in Business

Predicting 25% Gain Car Sales This Season

Motor Executives Optimistic But Cite Convincing Facts — Higher Price Level Needed to Get Real Results from Trade Pacts

Business is definitely on the up grade. At least that is the joint opinion of 50 top-ranking executives of the motor industry, gathered in Toronto for the National Motor Show this week. These men, who include the active heads of practically every motor company on this continent, estimate 1939 season motor sales at from 25 to 50% above 1938.

Such would put total volume on a par with or slightly better than 1937, and that was a prosperous year both for the automobile people and the man on the street. As a matter of fact, automobile sales in the 1937 season, both in Canada and the United States, were the best since 1929 and not a great deal behind that record year either.

Of course, everyone, even the motor manufacturers themselves, admits that the men who make and sell cars are optimists. Their rosy hopes for 1939 may not be fully realized. But these interviews and speeches in Toronto this week were not all eye-wash simply to put a trade show over. There were some concrete facts behind them.

Employment in motor car factories in Canada right now is at the best level of the last eight years. Purchases of parts and other raw materials by motor car manufacturers are in the same category.

This combination alone is sufficient to generate some business prosperity. Workmen in the automotive factories, in the contributing parts plants, and in other industries partially interested, are all building up purchasing power.

Another bit of sturdy proof provided by new car sales for the first month of the 1939 automotive year, October. In both Canada and United States these were the best in a long time, much better than a year ago. For November, still better results are anticipated.

But the real test of business recovery, for automobiles and everything else, will come late this winter or first thing in the spring. By then it should be known whether private business can hope to take up the slack through withdrawal of United States Government pump priming. Several American current factors are distinctly favorable, notably construction, electric power and automotive output. On the other hand, steel, operating at about 60% of capacity, is still only in the fair class, while railroad earnings and farm purchasing power have continued to weaken.

* * * *

Full effects of the recent trade agreements will not be apparent for several months. This applies to all three countries directly interested.

Farmers in both Canada and United States are expected to gain from these agreements, but until there is an improvement in present price level any gains will be of minimum proportions only. American farmers are hopeful of shipping more early fruits and vegetables to Canada in the spring months; more oranges, lemons and grapefruit the year round.

They also hope to sell the United Kingdom more cotton, tobacco, lard, ham, possibly soft wheat and flour.

Canadian farmers hope to ship more cattle, feed, dairy products to United States, and fishermen and lumbermen are also counting on an export market in the same country. But better prices are needed to start the ball rolling.

Business Indicators

Current business improving—both latest D.B.S. weekly and the monthly index of The Financial Post show substantial gains. Revised figure for latter index shows three point gain for October in contrast to fractional decrease indicated by preliminary. Greater activity in foreign trade responsible for improvement.

Employment down slightly at beginning of November.

Carloadings continuing to run about 3% below a year ago.

Railways—Gross earnings continuing to hold around last years levels with net revenue for October sharply better than in 1937.

Sea fisheries—Both volume and value in October sharply improved.

Newsprint output and exports in October shows substantial improvement over recent months but total still well below year ago.

Electric power output in October comes closest this year to equalling same month a year ago. Difference less than 2%.

Foreign trade in October registers good gain over previous month, especially in exports. Latter almost up to year ago.

Life insurance sales in October down 5% from same month last year.

Current trend in Canadian business shown by The Financial Post index of business activity, with new figures for the week marked thus▲.

	Nov. 17	Nov. 12	▲Nov. 5	Oct. 29	Nov. 20/37
Commodity prices	73.6	73.5	73.6	73.9	83.5
Weekly index, D.B.S	108.4	106.5	108.2	108.6	105.1
	Oct.	Sept.	Aug.	July	Year Ago
Financial Post index	■115.7	112.6	109.2	109.0	124.3
Retail index no. of sales	....	78.9	76.4	77.6	81.8
Dept. store "	76.6	76.8	74.7	75.3	79.5
Wholesale "	....	106.6	98.2	90.1	113.3
Country (% change) fr. last yr.	....	—3.9	—0.8	—4.2	....
Employment D.B.S. Index—	Nov. 1	Oct. 1	Sept. 1	Aug. 1	Year Ago
All industries	▲114.6	116.7	115.1	112.1	125.2
Manufacturing	▲110.9	112.5	113.8	110.0	119.0
Wage earners, No. (000)	....	....	▲2,402	2,378	2,587
Living costs‡	....	▲$17.35	$17.41	$17.70	$17.51
			Jan. 1 to date		%
Railways—	1938	1937	1938	1937	Change
Carloadings, week (Nov. 19)	▲51,171	54,009	2,178,146	2,354,187	—7.5
C.N.R. gross, week (Nov. 21) $	▲3,810,813	3,757,463	161,946,450	177,084,544	—8.5
C.P.R. gross, week (Nov. 21) $	▲2,785,000	2,897,000	126,273,000	128,856,000	—2.0
C.P.R. net revenue (Oct.) $	▲6,046,430	4,279,107	13,377,224	17,353,048	—22.9
C.N.R. net revenue (Oct.) $	▲4,650,861	3,431,576	2,195,607	13,959,438	—84.3
Iron and Steel (October)—					
Pig iron production (tons)	50,857	80,922	605,502	735,361	—17.6
Steel ingots and castings prod. (tons)	76,256	114,527	987,261	1,191,989	—17.1
Automobiles (Number)—					
Passenger Cars:					
Domestic sales* (Sept.)	3,832	3,920	75,652	96,385	—21.6
Factory output (Oct.)	5,412	7,378	94,140	125,194	—24.8
Trucks and Buses:					
Domestic sales* (Sept.)	1,879	2,220	22,144	25,753	—14.0
Factory output (Oct.)	362	725	35,340	44,580	—21.0
Exports (Oct.)	2,946	4,090	50,038	59,508	—15.9
Financing (Oct.)—					
Used $	2,500,679	2,262,682	31,467,243	31,234,983	+0.7
New $	2,024,494	2,060,611	29,501,985	35,778,155	—17.5
Construction—					
Contracts awarded (Oct.) $	18,111,000	20,169,900	161,572,700	198,576,800	—18.6
Cement, bbls. (Aug.)	712,000	913,523	3,523,885	3,850,121	—8.4
Agriculture—					
Flour prod., bbls. (Sept.)	1,639,231	1,437,586	9,182,119	9,629,193	—4.6
Flour exp., (Oct.)	528,601	336,478	3,068,926	3,343,412	—8.2
Wheat exp., bus. (Oct.)	24,579,370	10,055,102	76,492,259	74,829,853	+2.2
Cattle sales (Sept.)	73,396	136,319	544,377	726,663	—24.2
Hog sales (Sept.)	48,917	74,147	505,631	744,988	—32.1
Sea Fisheries (Oct.)‡—					
Catch, cwts.	▲1,029,650	848,800	8,085,530	7,987,623	+1.2
Landed value $	▲1,4023,20	1,030,090	15,935,752	15,550,638	+2.4
Newsprint (tons)—					
Production (Oct.)	▲254,872	315,477	2,169,532	3,051,527	—28.9
Exports (Oct.)	▲248,067	302,325	1,967,385	2,830,793	—30.5
Mining and Oils—					
Coal prod., tons (Sept.)	1,112,828	1,421,383	9,827,615	10,846,890	—9.4
Coal imports, tons (Aug.)	1,463,919	1,776,998	7,930,154	9,918,926	—20.0
Gold prod., fine oz. (Sept.)	409,612	348,528	3,460,693	3,021,340	+14.5
Nickel prod., lb. (Sept.)	16,914,931	19,026,072	159,863,075	166,972,120	—4.2
Copper prod., lb. (Sept.)	50,238,306	48,063,788	441,216,461	378,097,890	+16.7
Crude oil prod., bbls. (Aug.)	817,706	291,641	4,430,463	1,599,185	+178.0
Crude oil imp., bbls. (Oct.)	3,639,000	4,538,274	30,197,632	32,497,337	—7.0
Electric Power Output (Oct.)—					
Total monthly m.k.w.†	▲2,329,428	2,365,052	21,268,733	22,711,255	—6.3
Foreign Trade—					
Imports (Oct.)	▲$63,908,940	82,112,749	569,861,699	675,130,782	—15.6
Exports (Oct.)	▲$102,718,779	103,684,388	792,198,643	938,655,997	—15.6
Other Industrial Factors—					
Dressed lumber exp.: M. bd. ft. (Oct.)	144,296	149,547	1,352,951	1,576,946	—14.3
Shoes, prod., pr. (Sept.)	2,069,929	2,256,289	16,821,756	19,116,522	—12.0
Cotton, imports, lb. (Sept.)	6,101,000	4,582,000	86,060,000	102,174,000	—15.8
Raw rubber imp., lb. (Oct.)	7,031,956	13,436,546	45,644,541	64,403,360	—29.1
Cigarette cons. (Sept.) No.†	587,592	578,668	5,751,514	5,579,878	+3.0
Sugar manufactured, lb.§	▲158,865,134	158,494,897	792,999,928	822,174,714	+3.5
Finance—					
Bank debits (Oct.) $	▲2,932,817	2,905,802	25,010,198	29,159,030	—14.2
Bond sales (Oct.)	$118,697,138	51,695,900	945,722,638	986,290,971	—4.1
Life insurance (Oct.)	$▲31,854,000	33,416,000	307,467,000	314,713,000	—2.3

*D.B.S. All-Canada figure comprising over 90% of the Canadian total.
†000's omitted. §For four weeks to Oct. 8, 1938.
‡Unrevised figures covering N.S., P.E.I., N.B., Que., B.C.
‡For average family per week, food, fuel, rent. ■Final.

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HEAD OFFICE TORONTO

Foreign Business

Business in the United Kingdom and other parts of Empire now appears to be fully recovered from the October war scare, according to the United States Department of Commerce, which summarizes world business as follows:

United Kingdom—Business rallied strongly after the September crisis but full recuperation is impeded by the uncertainty as to long-term prospects; foreign trade for 10 months of this year shows a considerable decline in imports with a resultant loss in import duty collections, but the excess of imports over exports has been reduced.

Union of South Africa—The effects of the European crisis in September were only temporary and the subsequent heavy movement of goods, combined with increased gold mining activity, a good crop outlook, and other favorable developments, made the situation in October considerably better than a year earlier.

Japan—Business further disturbed by the probability of extensive corporate and financial control by the Government, involving a restriction of dividends; foreign trade showing excess of exports over imports; national debt up nearly 40% in the past year.

China—Telephone service, under Japanese control, between Nanking and Shanghai, is to be resumed on Dec. 1; motor truck traffic is in operation between Yunnan Province and Burma, according to official Chinese reports.

Foreign Exchange

AT TORONTO AND MONTREAL

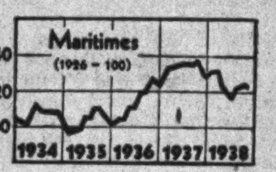
U. S. Dollar	High	Low
Nov. 28	1.00⅝	1.00 11/16
Nov. 26	1.00⅝	1.00⅝
Nov. 25	1.00⅝	1.00 11/16
Nov. 24	1.00 11/16	1.00⅝
Nov. 23	1.00¾	1.00 11/16
Nov. 22	1.00 11/16	7.00¾
U. K. Pound	**Closing**	**Last Year**
Nov. 28	4.68⅛	4.99
Nov. 26	4.65¾	4.99
Nov. 25	4.66¾	4.99½
Nov. 24	4.67⅞	4.99½
Nov. 23	4.69⅞	5.00
Nov. 22	4.70¼	4.99½

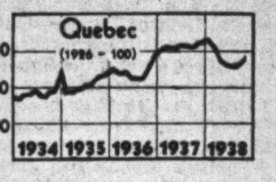
Other Currencies, Nov. 28

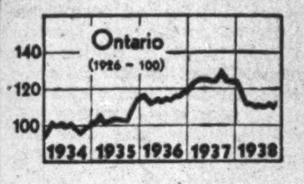
Australia	3.74⅞	Italy	.0530
Belgium	.1703	Japan	.2731
Czecho.	.0344	Jugoslavia	.0235
Denmark	.2091	N. Zealand	3.77⅞
France	.0262	Norway	.2352
Germany	.4032	S. Africa	4.67½
Greece	.0086	Sweden	.2413
Holland	.5476	Switzerland	.2286
Hungary	.1994	Hong Kong	.2921
India	.3501		

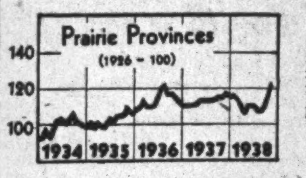
Most Canadian Areas Report Business Gain in October

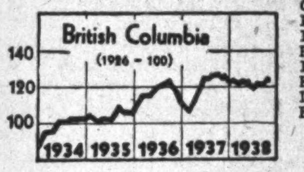
Canadian business activity recorded a gain in three of the five economic areas during October. The Maritimes and British Columbia alone failed to maintain the level of September. Surveying the position as a whole it is evident that some recovery has been made in the last half of the year contrasting with the decline during the first two quarters. Employment reached a higher level at the first of November in the Maritimes and in Ontario. Life insurance sales recorded a gain in the Maritimes and Prairie Provinces. Building permits were greater in the three central areas.











Trend of Business in Economic Areas

	Oct., 1938	Change Oct., 1937 %	Sept., 1938
Maritimes:			
Constr. contr. $	1,241,000	—38.6	1,806,000
Bldg. permits $	131,000	+42.4	234,000
Life ins. sales $000	2,218	—5.3	1,935
Bank debits $000,000	52.7	—6.9	52.4
Elec. pwr. kw.h. 000	78,000	—2.5	74,000
Employment*	112.6	—11.5	114.5
Shipping tons	258,965	—9.0	268,181
Imports $	3,195,479	—15.7	2,964,771
Exports $	6,394,069	—14.8	5,424,282
Index	123.7	—8.5	125.2
Quebec:			
Constr. contr. $	6,266,000	—10.3	8,040,000
Bldg. permits $	2,868,000	+237.0	1,893,000
Life ins. sales $000	8,142	—14.7	7,226
Bank debits $000,000	945	—0.5	804
Elec. pwr. kw.h. 000	1,229,000	+1.9	1,136,000
Employment*	119.7	—8.3	121.6
Imports of cotton lb.	17,639,171	—7.7	6,101,415
Newsprint prod. tons	254,872	—19.0	231,940
Index	137.7	—3.4	135.2
Ontario:			
Constr. contr. $	7,880,000	+14.7	5,810,000
Bldg. permits $	4,553,000	+105.9	1,535,000
Life ins. sales $000	14,202	—3.5	11,965
Bank debits $000,000	1,117	—9.7	1,023
Elec. pwr. kw.h. 000	665,000	—8.0	628,000
Employment*	115.0	—11.8	115.8
Livestock slaughterings*	133.3	—11.0	142.3
Steel prod. tons	76,256	—33.4	73,556
Auto prod. No.	5,774	—28.7	6,089
Index	112.0	—11.3	110.5
Prairie Provinces:			
Constr. contr. $	2,008,000	—45.3	2,756,000
Bldg. permits $	1,522,000	+112.3	1,010,000
Life ins. sales $000	4,637	+8.3	3,913
Bank debits $000,000	631	+27.7	591
Elec. pwr. kw.h. 000	187,000	—1.6	162,000
Employment*	108.1	+1.8	113.2
Wheat receipts bu.	64,337,000	+256.7	119,592,000
Wheat prices**	61/4	—56.7	63/3
Index	121.9	+4.5	117.1
British Columbia:			
Constr. contr. $	716,000	+15.3	1,123,000
Bldg. permits $	514,000	—3.2	606,000
Life ins. sales $000	2,296	—7.0	2,108
Bank debits $000,000	187.0	+11.0	185.7
Elec. pwr. kw.h. 000	170,000	+2.4	164,000
Employment*	107.5	—3.6	111.3
Imports $	4,444,659	—21.0	4,908,668
Exports $	11,359,499	—13.5	9,398,846
Index	123.0	—3.2	124.1

*1926=100.
**Cents and eighths of a cent per bushel.

S. C. Power Profit Holds

Share Earnings Record Minor Increase; Finances Are Maintained

From Our Own Correspondent

MONTREAL.—Southern Canada Power Co. reports earnings of 90 cents a share on its common stock for the year ended Sept. 30, 1938, as against 89 cents a share in the preceding 12 months.

Gross revenue from all sources last year totalled $2,364,425, as against $2,308,088 for the 1937 fiscal year. While operating expenses, etc., was higher during the past year, there was a saving in bond interest charges, which helped to maintain net profits.

More for Common

Comparative figures on the consolidated profit and loss account follow:

Income and Surplus Account Years Ended Sept. 30

	1938 $	1937 $
Electric revenue	2,190,933	2,138,052
Add: Misc. revenue	173,492	170,036
Gross earnings	2,364,425	2,308,088
Less: Exps., taxes, etc.	1,009,769	959,909
Bond interest	293,671	312,165
Depreciation	271,502	247,451
Bad debt res.	3,600	3,600
Net profit	785,883	784,963
Less: Pfd. dividend	425,334	425,334
Com. dividend	319,751	319,642
Surplus for year	40,798	39,987
Add: Prev. surplus	359,908	319,921
Surplus forward	400,706	359,908

Working Capital

	1938 $	1937 $
Current assets	3,396,959	3,628,164
Current liabilities	689,932	772,669
Working capital	2,709,027	2,855,495

Balance Sheet Changes

Current assets amount to $3,396,959, of which $336,042 is in cash and $2,412,272 represents investments, estimated market value of which at the end of the fiscal year was $2,412,470. Current liabilities amount to $689,932, indicating a net working capital of $2,709,027. This contrasts with net working capital at the end of the previous year of $2,855,495.

Consolidated funded debt of the company showed a decline during the year from $6,517,825 to $6,443,046. The book value of the common stock was written down from $8,672,000 to $8 millions, which in turn is reflected in the liquidation of the unamortized discount on bonds, which is carried on the 1937 books at $680,503.

Various improvements were reflected on the distribution line involving a net capital outlay of around $115,000.

Gross sales of merchandise amount to $368,460, compared with $380,306 the previous year.

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December Investment Letter

The trend of Canadian Government and Corporation Bond prices, common stock prices and the physical volume of business in Canada for the past three years in chart form. Write for a copy.

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Background of Business

Australian Wool Race

Dozens of ships are on the high seas laden with thousands of bales of Australian wool in their annual dash to Europe and other parts of the world with the first and often the highest priced of this clip. Australia produces more than a quarter of the world's wool and wool represents nearly 40% of her exports. Britain is the largest buyer taking 38% of her requirements from Australia. Other big buyers are France, Japan, Belgium, United States and Germany. Ocean freight earnings on the clip this season are estimated at £2.5 millions.

* * *

Foreign Trade Improves

Canadian exports, upon which a great deal of our national income and business prosperity depends, have been improving recently. About a year ago a decline set in which reached very serious proportions last spring. In April, for instance, total exports were slightly over $51 millions as compared with $65 millions for the same month in the preceding year. In May, total was under $68 million as compared with $103.

By the middle of the summer there was an improvement and September exports for the first time in twelve months actually rose above the same month of the previous year. The gain was almost $14 millions to a total of $108 millions. October figures were behind a year ago, but the drop was only a trifle.

In imports which are not so directly important on total Canadian business volume the decrease from a year ago is continuing. This started later than the drop in exports and was not sharply apparent until last spring.

* * *

Pacts Affect Hardware

A tremendous array of hardware and paint products, figures in the recent trade pact on which Canada has granted tariff reductions or removal of excise tax, or both, states Hardware and Metal. In many cases the reduction in tariff is small; in others there is only a removal of excise tax and no tariff reduction. Some of leading items affected are listed as follows:

Roofings, sandpaper, emery paper, lamp black, white lead, dry red lead, paints, varnishes, turpentine, plate glass, wire, nails, aluminum, nickel plated tin and enamelware, clocks, sheets, pipes and tubes, chains, spraying machines, incubators, scythes and other agricultural tools, vacuum cleaners, refrigerators, washing machines, safety razor blades, hand and precision tools, cutlery, guns and rifles not made in Canada, heating and cooking apparatus, fishing rods, leather belting, harness, rubber tires, rubber hose, toys, grinding wheels, and electric fixtures.

* * *

See Revival Czech Exports

Czechoslovakia has admittedly lost approximately 50% of her industries with the ceding of the Sudeten area to Germany. However, points out N. V. Mara, Czechoslovakia Trade Commissioner at Chicago, this does not mean that her industrial production or exports will suffer to anything like the same extent. Indeed Mr. Mara believes that in a few years Czechoslovakia will again be exporting her recent high volume of textile, glass and other products.

Mr. Mara explains that before the partition many factories on both sides of the new border were only working part-time and some of them were entirely idle. Now those left on the Czech side will probably work full-time and more will shortly be added if the export demand warrants. There are plenty of workers, it is stated, either left in Czechoslovakia or among the Czechs who are moving out of the Sudeten areas.

Waterways Salt Plant Capacity to be Tripled

EDMONTON.—An expansion programme of about $100,000 for the new salt factory at Waterways, Alta., has been announced in Edmonton by L. O. P. Walsh, president of the Dominion Tar and Chemical Co. Ltd.

Mr. Walsh stated that his company has acquired control of Industrial Minerals Ltd., operators of the salt property, and would continue to operate the Waterways enterprise under the name of Industrial Minerals.

Capacity of the plant will likely be tripled, it was indicated.

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Prosperity Comes to Canadian Citizens Because Other Countries Have Confidence in Canadian Products

CANADA is exporting on an average (every working day) goods valued at nearly $4,000,000. Next year the flow of trade is likely to be increased and that will mean a further rise in employment and prosperity for Canada. Such extensive world markets were not secured by chance. Canadian export trade has been built up gradually and in different ways. One of the most important policies used in trading is this: Canadian exporters learn what other countries are accustomed to buying and then make it their business to send them from Canada exactly what they want.

Canada's Prosperity Largely Depends Upon Canadian Products Giving Satisfaction Abroad

Canadian products have favourable entry into many countries, and continued purchases of Canadian goods depend in the final analysis on whether products of the Dominion continue to give satisfaction to millions of users abroad. People in other lands have their likes and dislikes. If Canada does not produce or manufacture just what is required, then there are other countries to buy it from, for the world is their source of supply. Canada's export trade will be possible only so long as Canadians cater to the personal preferences of customers and maintain a continuity of supply.

It is Essential that Canadian Products Should be True to Grade and Reliable in Quality

Canadians, as producers, are building all over the world a reputation for trustworthiness. The prosperity and the stable future of the Dominion depend upon keeping faith with those who place their trust in the quality of the products of Canada. It should be remembered that any citizen of the Dominion who works as a farmer, a mechanic, a labourer, a merchant, a miner, a miller, a factory worker, a fisherman, or in any other vocation where export trade is concerned, has a direct or indirect interest in whatever wealth accrues from the selling of goods to other countries. It is incumbent, therefore, upon those who are so engaged, to help maintain Canada's good reputation abroad.

The reward for maintaining the high standard of quality of Canadian goods and continuity of supply must be reflected in increased purchasing power on the part of all Canadian citizens. The obligation to maintain standards and continuity of supply is the price paid for the appreciation in world markets of Canadian commodities.

34 Trade Commissioners Working to Increase Canadian Exports

These specially trained representatives are placed and maintained by the Department of Trade and Commerce of Canada in every important trade centre abroad where Canada is likely to sell goods. The trade commissioners are continually investigating new sources of business and maintaining existing markets.

Exhibitions

Through the Exhibition Commission of the Department of Trade and Commerce, Canadian commodities have been placed on display before thousands of prospective purchasers in many countries of the world. Extensive advertising and merchandising campaigns in addition have been used in Great Britain to promote the sale of Canadian products.

The national income expands and employment increases as Canada's export trade rises. The facilities of the Department of Trade and Commerce are at the service of all who are interested in the export of products made in Canada. Every enquiry will be answered promptly and fully, and up-to-date information furnished on any export trade subject desired.

DEPARTMENT OF TRADE AND COMMERCE
Hon. W. D. Euler, M.P., Minister Ottawa J. G. Parmelee, Deputy Minister

Insurance

Higher Rates Indicated In Automobile Insurance

In Spite of Increase Last January Premiums Still Appear to be Inadequate to Ensure Sound Underwriting Position

Existing rates for automobile insurance across Canada are too low, C. H. Frederickson, actuary of the Canadian Underwriters' Association, has indicated in a report just issued.

While company officials are reticent in discussing rates, an upward revision is seen. Unless there is a very marked improvement in the accident situation an increase of as much as 15% on public liability insurance for private passenger cars could be justified, it is stated, by the experience of the last five years.

The report was compiled under instructions from Ontario's superintendent of insurance and contains the experiences of both association and non-association companies. It is based on the records of Ontario, Manitoba, Saskatchewan, Alberta and Prince Edward Island, as the other provinces have not in the past made filing of experience compulsory. The report covers the years 1933 to 1938. Calculations of premiums and losses have been made on an earned basis rather than a written one to allow for the increase in rates in 1938, as many of the policies written in 1937 carry over into 1938.

These calculations indicate an average ratio of losses to premiums well above the 53% generally accepted as consistent with sound underwriting in Ontario, 52½% for the remainder of Canada. Accordingly it is evident that automobile insurance has not been a profitable line.

Some companies, however, seem to regard automobile insurance as a sort of loss leader on the theory that it may attract sufficient business in some other line to more than make up the loss sustained.

Rates on property damage and full collision insurance in addition to public liability are shown to be out of line while those charged for fire and theft could stand to be reduced.

Statistics for the other four provinces reporting indicate much the same situation as in Ontario.

In the tables below is the experience of all companies tariff and non-tariff for the last five years.

Loss ratio is percentage of losses compared with premiums earned. As these figures relate to "Premiums Earned Adjusted to 1938 Bureau Rate Level," they show what the loss ratio would have been if all the business had been written at 1938 tariff or association rates.

The figure in the next column is a ready means of reference for determining how much deficient or redundant the actual rate level is when compared with the expected one. The plus figures show the percentage which the rates should be increased to bring the loss ratio to the approved level. Minus figures show the percentage reduction that may be made in the rates to achieve the same result.

Passenger Cars
ONTARIO

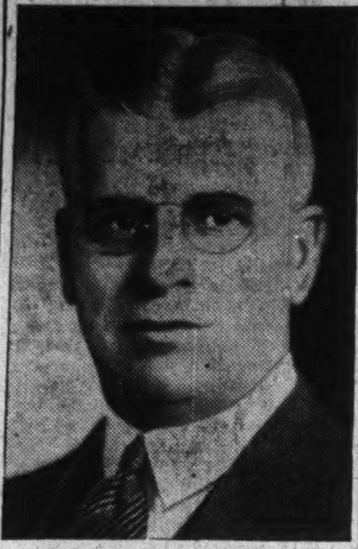
	Loss Ratio %	Indicated Adjust. of Rate Level %	Aver. Cost of Claim $
Public Liability			
1933	51	—4	415
1934	52	—2	396
1935	53	0	435
1936	57	+8	434
1937	61	+15	461
Aver.	55	+4	430
Property Damage			
1933	48	—9	32
1934	53	0	34
1935	52	—2	32
1936	57	+8	34
1937	66	+25	34
Aver.	56	+6	33
Collision Full Coverage			
1933	34	—36	33
1934	64	+21	50
1935	107	+102	70
1936	72	+36	56
1937	83	+57	60
Aver.	72	+36	55
Fire			
1933	35	—34	57
1934	38	—28	58
1935	32	—40	55
1936	27	—49	51
1937	27	—49	51
Aver.	31	—42	54
Theft			
1933	44	—17	20
1934	47	—11	18
1935	46	—13	19
1936	42	—21	22
1937	48	—9	27
Aver.	45	—15	21

Average Five-Year Experience For The Other Corresponding Provinces

Prince Edward Island			
Public liability	74	+41	972
Property damage	50	—5	49
Full collision	100	+90	67
Fire	28	—47	109
Theft	68	+30	121
Manitoba			
Public liability	56	+7	447
Property damage	40	—24	29
Full collision	66	+26	36
Fire	31	—41	62
Theft	69	+31	24
Saskatchewan			
Public liability	58	+10	655
Property damage	51	—3	50
Full collision	121	+130	75
Fire	35	—33	100
Theft	28	—47	36
Alberta			
Public liability	61	+16	511
Property damage	49	—7	51
Full collision	57	+9	58
Fire	42	—20	124
Theft	42	—20	28

COMMERCIAL VEHICLES

	%	%	$
Ontario			
Public liability	60	+13	407
Property damage	47	—11	34
Full collision	37	—30	56
Fire	47	—11	196
Theft	37	—30	42
Prince Edward Island			
Public liability	42	—20	288
Property damage	35	—33	37
Full collision	117	+123	54
Fire	58	+10	272
Theft	16	—70	94
Manitoba			
Public liability	56	+7	475
Property damage	42	—20	29
Full collision	140	+167	23
Fire	58	+10	206
Theft	62	+18	44
Saskatchewan			
Public liability	41	—22	507
Property damage	47	—10	41
Full collision	47	—10	45
Fire	37	—30	244
Theft	16	—70	47
Alberta			
Public liability	66	+26	670
Property damage	47	—10	47
Full collision	29	—45	51
Fire	61	+16	293
Theft	41	—22	56



NEW DIRECTOR

Morden Neilson, president of Wm. Neilson Co., has been elected to the board of directors of Toronto General Trusts. Walter C. Laidlaw was also elected a director.

Alberta Shows Life Sales Up

Three Other Provinces Report Gains But Total Is Down

Sales of ordinary life insurance in Alberta in October, 1938, showed the greatest percentage gain over the same month last year of any province in Canada. The increase was 27.26%. Three other provinces reported gains, Nova Scotia up 7.57%, Prince Edward Island up 6.61% and Saskatchewan up 5.98%.

The result was that total sales for the Dominion and Newfoundland amounting to $31,854,000 were down 4.67% from $33,416,000 for the same month of 1937.

The figures are compiled by the Life Insurance Sales Research Bureau and given out by the Canadian Life Insurance Officers Association. The returns from which the figures are compiled were made by 18 companies having 87% of the total insurance in force, exclusive of group and wholesale insurance annuities, pension bonds without insurance, reinsurance revivals, etc.

Total sales for the Dominion and Newfoundland for the 10 months of $307,467,000 are down 2.3% from the total of $314,713,000 a year ago.

Sales by provinces for October 1938 and a year ago were as follows:

	1938 $	1937 $
British Columbia	2,296,000	2,450,000
Alberta	1,643,000	1,291,000
Saskatchewan	1,045,000	986,000
Manitoba	1,949,000	1,972,000
Ontario	14,202,000	14,536,000
Quebec	8,142,000	9,458,000
New Brunswick	725,000	937,000
Nova Scotia	1,364,000	1,268,000
Prince Edward Island	129,000	121,000
Newfoundland	359,000	397,000
	31,854,000	33,416,000

Details of sales by months since January, 1935, are as follows:

Ordinary Life Sales
(a) Sales by Month, 1935-1938
($ 000 omitted)

	1935	1936	1937	1938
Jan.	32,988	33,347	27,789	30,606
Feb.	28,716	28,834	30,619	31,204
Mar.	31,416	30,552	32,322	32,796
Apr.	28,900	28,876	32,562	29,981
May	27,423	28,411	31,916	30,342
June	32,112	31,247	37,908	35,120
July	32,155	31,396	32,040	30,126
Aug.	26,854	23,547	28,411	27,996
Sept.	26,696	28,090	27,730	27,442
Oct.	30,416	29,402	33,416	31,854
Nov.	35,158	36,710	38,020	.....
Dec.	36,550	34,146	37,125	.....

Insurance Problems

North American Accident

Can you give me some information regarding the North American Accident Insurance Company?

The North American Accident Insurance Company is a Canadian company incorporated in 1917. Dominion license was issued in January 1918. It writes accident and sickness insurance. In 1937 the company wrote total premiums of $75,401. Its total assets at December 31, 1937, were reported as $617,788 and liabilities exclusive of capital stock and reserve account for premium on stock totalled $35,508. Balance of profit and loss account in December 31, 1937, after deduction of dividends to shareholders was $468,363. Management is the same as that of the Canadian branch of the Mutual Life and Citizens Assurance Company of Australia. Operating under Dominion licenses it must, of course, satisfy the Department of Insurance that its business is being conducted in accordance with the department's regulation.

Insurance Notes

John D. Mason, associated with the Royal-Liverpool insurance group in Canada for 13 years, has been appointed supervisor of the casualty division at the Canadian head office at Montreal.

* * *

In an address delivered before the Life Underwriters Association of Sarnia, Gordon Nairn, field supervisor of the Dominion Association, stated that the present trend in the insurance business was toward fewer agents with much better training and more supervision and education.

* * *

Word was received by the Imperial Life Assurance Company of Canada of the death of Rev. Matthew Gold, referred to as "Great Britain's oldest minister," and known for many years to Imperial Life representatives as the company's oldest annuitant. He died in his 103rd year. Although living for 30 years in England he was living in Whitby, Ont., in 1904, when he purchased his annuity with the Imperial Life. His 34th annuity payment was mailed to him in March last.

* * *

F. Gordon Osler has been elected vice-president of the Manufacturers Life Insurance Company, succeeding the late G. G. Mitchell. Vacancies on the board resulting from the deaths of Mr. Mitchell and H. B. Henwood, were filled by the election of Leigh M. McCarthy and Charles S. Band.

* * *

At a meeting of the Home Office Life Underwriters Association in New York City, J. D. Williamson, actuary of the Canada Life Assurance Company, was elected vice-president, and John G. Parker, general manager of the Imperial Life Assurance Company, was re-elected to the council.

Oil Firm Sets Up Pension Scheme

Retiring Income Is Assured for Supertest Employees

Following closely on announcement of the employee pension scheme of John Labatt Ltd., London brewery, establishment of a retirement income plan has been announced by J. G. Thompson, president of Supertest Petroleum Corp., of London, Ont.

Provisions of the two plans are very similar. Chief difference is that the Labatt fund was set up in collaboration with the annuities branch of the Dominion Department of Labor, while the Supertest plan has been put into operation in conjunction with the Northern Life Assurance Co. and the London Life Insurance Co., both of London, Ont.

Assuring pensions ranging from $300 to over $1,000 a year, the Supertest scheme was made effective as of July 1, 1938. Participation is compulsory for all employees engaged since that date, optional for workers employed before then. The company deposited a substantial sum covering the full cost of premiums in respect of employees service prior to July 1, and is paying the major proportion of the annual contributions from now on.

The plan makes provision for retirement both before and after the normal pension age of 65 years (60 for women workers), and for adjustments in case of employees leaving the company's service prior to retirement. The scheme supplements the sickness, accident and life insurance plans which have covered Supertest employees for some years.

Another London firm, Somerville Paper Boxes Ltd., has announced extension of its group insurance plan to provide for hospitalization costs as well as regular insurance payments in case of sickness and accidents. The hospitalization scheme provides for benefits ranging from $3 to $5 a day, under an arrangement underwritten by Metropolitan Life Insurance Co.

London, Ont.—Debenture charges annually are responsible for 21.94% of the city's tax rate, while education takes 29.04%, election notices reveal. While debenture charges and education are the main items the summary shows relief required 10.60% of the total and general city government 12.83%.

Obituaries

Lieut-Col. C. W. Allen died at Montreal on Nov. 21. Colonel Allen was born at Fredericton, N.B. At the time of his death he was associated with the Royal Securities Corporation.

* * *

Major Gen. H. H. McLean, former Lieutenant-Governor of New Brunswick, died at Saint John, N.B., on Nov. 22, aged 84. He was born at Fredericton, N.B.

* * *

R. B. McTavish, building superintendent of the Great West Life Assurance Company, died suddenly at Winnipeg recently at the age of 48 years. He was born at Morris, Man.

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Automobile and General Casualty Insurance
AGENCY INQUIRIES INVITED
LUMBERMENS MUTUAL Casualty Company
VANCE C. SMITH Chief Agent
CONCOURSE BUILDING TORONTO
Fire and Allied Lines Written in Associated Companies

Five Years HAVE MADE Sales History

DURING this period, the London Life has found methods of determining a man's fitness for the life insurance business before accepting him as a representative. A rating chart developed as the result of extensive research has eliminated guesswork as to men's abilities.

The days of engaging those who want to *try* life insurance selling are a thing of the past. We accept only those who we believe aim to make the business a lifelong career and who rate high in the necessary qualifications for success.

There has been an improvement of 35% in the average production of London Life representatives in the past five years. This record applies to an organization of 1,130 persons.

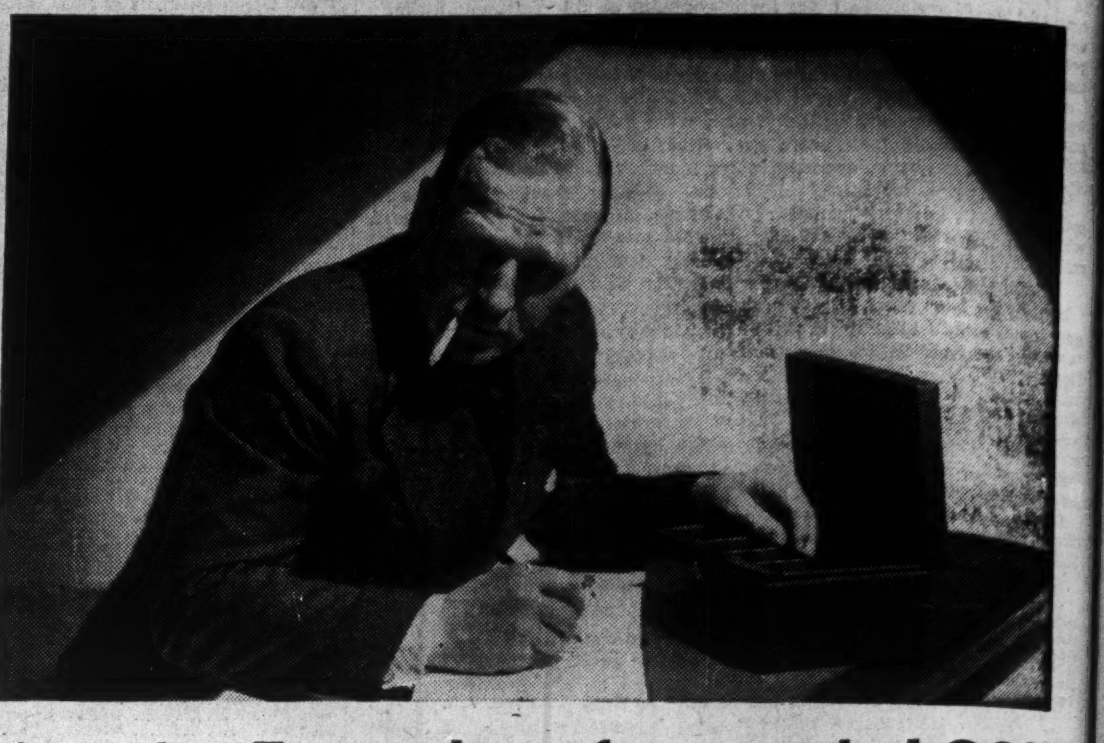
Two facts, (1) the high calibre of London Life representatives, and (2) the low net cost to policyholders of its insurance, constitute good reasons to select this Company for your next life insurance.

Established 1874
London Life Insurance Company
"Canada's Industrial-Ordinary Company"
HEAD OFFICE LONDON, CANADA

The Wawanesa Mutual Insurance Company
Canada's Largest Fire Mutual
A leading All-Canada Company—in volume; in strength; and in service to "select" property-owners and agents.
Home Office, Wawanesa, Man. Eastern Office: York & Harbour Sts., Toronto. Branches in Vancouver, Edmonton, Saskatoon, Winnipeg, Montreal, Moncton.

United States Fidelity & Guaranty Company
TORONTO

37 YEARS
SINCE 1901 NORTHWESTERN MUTUAL HAVE RETURNED MORE THAN 23 MILLION DOLLARS IN DIVIDENDS TO POLICYHOLDERS.
BRANCHES ACROSS CANADA
Toronto, Hamilton, Ottawa, Halifax, St. John, Moncton, Quebec City, Montreal, Winnipeg, Saskatoon, Edmonton, Calgary, Kelowna, Victoria, Vancouver
NORTHWESTERN MUTUAL FIRE ASSOCIATION
NON-ASSESSABLE POLICIES — ASSETS $7,683,067



Man *plus* Temptation *often equals* LOSS!

Trusted employees are the standbys of most businesses .... but every year an alarming percentage of them find temptation too hard to resist. When their folly is discovered, it is too late .... the money is gone forever.

A small premium invested in PEARL Fidelity Bonds will reap a large dividend of peace-of-mind ... and may save your business from serious loss. Instruct your agent to insure you in the PEARL. Your inquiry will be welcomed.

PEARL
ASSURANCE COMPANY LIMITED
OF LONDON, ENGLAND
Head Office for Canada: Victory Bldg., TORONTO
LAWSON T. HARGREAVES, Manager for Canada — W. C. BUTLER, Supt. Casualty Dept.
THE EUREKA-SECURITY FIRE AND MARINE INSURANCE COMPANY
INCORPORATED 1864—SAME YEAR AS PEARL ... POLICIES GUARANTEED BY THE PEARL

W. B. GUNNING, Manager Gunning's Auto Supply Co., Niagara Falls, Ont.

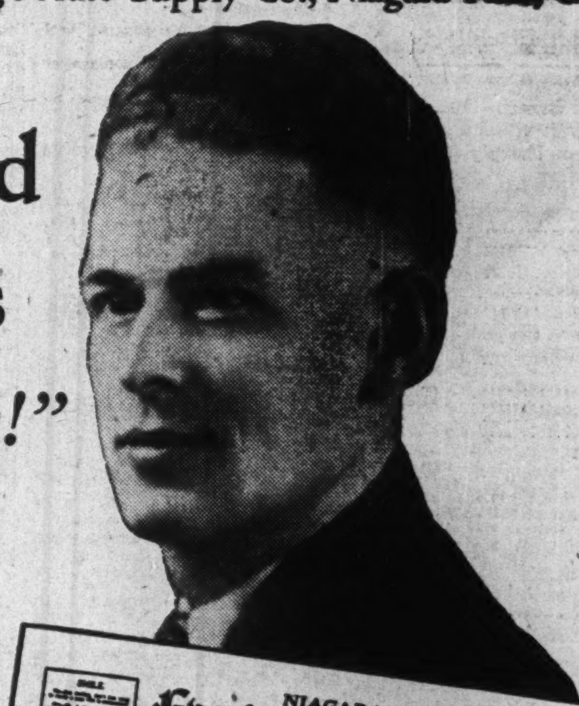
"For Immediate and Consistent Results
Give me the Local Daily!"

"I have tried every medium of advertising in my particular kind of business including hand bills, direct mail, personal letters, premiums, and I am now convinced, after eight years of experimenting, that there is no rival to the local daily.

The increased demand for merchandise, which has been created by our advertising, and the rapid turnover resulting, is a testimonial in itself that the best way to reach all classes of buyers is through the pages of our local newspaper. When considering adding a new line of merchandise, I always inquire from the manufacturer the amount of local daily advertising he intends to place.

For immediate and consistent results—give me the local daily—whether for my own advertising or for that of the products I sell."

W. B. Gunning



The purchase of your product starts when the prospect reads your message in the Local Daily

Mr. Gunning's experience is similar to the scores of retailers advertising in the
ONTARIO PROVINCIAL DAILIES
Belleville Ontario Intelligencer
Brantford Expositor
Brockville Recorder and Times
Galt Reporter
Kingston Whig-Standard
Kitchener Record
Niagara Falls Review
Oshawa Times
Owen Sound Sun Times
Peterborough Examiner
St. Catharines Standard
St. Thomas Times-Journal
Sarnia Canadian Observer
Stratford Beacon-Herald
Timmins Press
Welland-Port Colborne Tribune
Woodstock Sentinel-Review

Banking

Bank Montreal Deposits Gain

Loans and Assets Also Higher With Earnings Maintained

From Our Own Correspondent

MONTREAL.—Bank of Montreal's financial statement for the year ended Oct. 31 features an expansion in total assets, an increase in loans, comparatively little change in investments, a healthy increase in deposits, and a maintenance of earnings.

Assets at the end of October last totalled $874 millions; the highest reported since 1929. Deposits aggregate $763 millions an increase of $45 millions during the year.

Call loans outside Canada at $21.4 millions are higher by $1.6 million, while call loans in Canada at $5.3 millions are lower by $1.4 million.

More for Governments

Loans to provincial and municipal governments and school districts and term loans increased by $22.9 millions to $227.7 millions. The bank's cash resources of $152.5 millions show an increase of $17.9 millions, and there is a further gain of $3.3 millions in holdings of government bonds and other debentures which now stand at $440.7 millions.

Comparative figures on some of the key items in the balance sheet follow:

General Statement as at Oct. 31

Assets	1938 $	1937 $
Gold in Canada	25,689	24,392
Subsid. coin in Can.	1,019,704	907,527
Gold elsewhere	542	601
Subsid. coin else. ..	92,465	82,080
Notes of Bk. of Can.	15,922,933	14,865,924
Dep. with Bk. of C.	70,702,403	69,884,931
	87,763,736	85,765,455
Notes of other banks	1,687,530	1,500,966
Cheques on banks ..	28,683,865	26,217,466
Foreign currency ..	461,888	461,265
Due by bks. abroad.	33,973,643	20,701,296
Call loans in Can. ..	5,374,980	6,857,700
Call loans elsewhere	21,493,005	19,878,944
	91,674,911	75,617,637
Govt. securities:*		
Matur. in. 2 yrs. ..	172,605,061	151,462,043
Other securities* ...	189,360,859	193,407,526
Can. mun. secs.* ...	28,866,636	37,302,671
Pub. secs., foreign* .	17,242,107	17,035,918
Other securities* ..	32,621,809	38,459,903
	440,896,472	437,668,061
Total quick assets ..	620,335,119	599,051,153
Current loans & discts.:		
In Canada	178,748,229	150,922,644
To prov. govts. ..	2,315,791	3,129,229
To mun. & sch. dist.	34,699,804	28,401,760
Abroad	10,348,985	20,031,375
Non-current loans .	1,590,642	2,275,804
	227,703,451	204,760,812
Bank premises	13,900,000	13,700,000
Other real estate ...	599,640	611,352
Mtges. on real est. .	497,068	581,329
Letters of credit ...	8,377,575	7,759,146
Dep. re circ. fund ..	1,202,033	1,350,012
Controlled cos.	1,558,921	1,575,112
Other assets	82,022	245,035
	26,217,259	25,821,986
Total	874,255,829	829,633,951
Liabilities		
To the Public		
Circulation	22,542,922	24,428,895
Dep. by Dom. govt..	15,023,899	18,413,158
Dep. by Prov. govt..	10,043,476	6,312,195
Deposits by public:		
Demand	219,117,887	192,452,352
Savings	506,696,835	488,540,703
To banks in Can. ...	3,775,267	2,853,313
To banks abroad ...	8,499,581	9,227,385
Bills payable	149,848	213,945
Letters of credit ...	8,377,575	7,759,146
Sundry liabilities ..	3,112,201	2,535,662
	797,339,491	752,736,754
To the Shareholders		
Dividends	733,083	732,334
Reserve	39,000,000	39,000,000
Capital	36,000,000	36,000,000
Surplus	1,183,255	1,164,863
	76,916,338	76,897,197
Total	874,255,829	829,633,951

*Not above market value.

Profits at 1937 Level

Profits for the 1928 fiscal year, after making appropriation to contingent reserve fund and after Dominion and provincial taxes of $1.1 million, amounted to $3.3 millions. This contrasts with $3.4 millions a year ago. There is no change in the dividend paid to shareholders, while the appropriation for bank premises was increased during the year from $400,000 to $500,000. Consequently the surplus after all charges amounted to only $18,390, as against $128,328 a year ago.

Premise Reserve Higher

Comparative figures on the profit and loss account follow:

Profit and Loss Account
Years Ended Oct. 31

	1938 $	1937 $
Net revenue	3,398,390	3,408,328
Less: Dividends	2,880,000	2,880,000
Premises reserve ..	500,000	400,000
Surplus	18,390	128,328
Previous surplus	1,164,864	1,036,536
Surplus forward	1,183,254	1,164,534

Royal Bank to Close Branches in Panama

From Our Own Correspondent

MONTREAL.—The Royal Bank of Canada is closing its branches in Panama City and Colon. This action results from legislation passed by the Panama Government requiring the investment of a total of 20% of all deposits in so-called "guarantee bonds."

The Royal Bank has called on all depositors to begin withdrawing their deposits, and closing of accounts has commenced. According to Assistant General Manager C. C. Pineo, the Bank will close its two branches as soon as it can pay off its outstanding accounts in Panama.

TRADE WITH GREAT BRITAIN

The ramifications of the Royal Bank of Scotland throughout Great Britain and the entire World enable it to handle every description of British Empire and Foreign Banking business.

Head Office: EDINBURGH
254 Branches in All
LONDON:
Chief City Office:
3 Bishopsgate, E. C. 2

ROYAL BANK OF SCOTLAND

(Incorporated by Royal Charter, 1727)
Total Assets ..... $429,456,220 ($5 to £1)
Associated Bank: Williams Deacon's Bank Ltd.

NEW PRESIDENT

C. S. Hamilton, vice-president and joint general manager of the Trusts and Guarantee Co., who has been elected president of the Dominion Mortgage and Investments Assoc. Other officers include John A. Rowland, Toronto, first vice-president; H. P. Thornhill, Montreal, second vice-president, and Jules E. Fortin, Toronto, secretary-treasurer.

Bank of Canada Weekly Statement

Holdings of sterling exchange and United States dollars by the Bank of Canada increased $3.3 millions in the week ended Nov. 23, according to the bank's weekly statement. This is attributed to increased gold shipments. Central bank holdings of Dominion and provincial securities were lower.

On the liability side note circulation dropped $3.3 millions while deposits of both the Dominion and the chartered banks with the Bank of Canada were higher.

Balance Sheet

Liabilities	Nov. 23 1938 $	Nov. 16 1938 $
Capital paid up ...	5,000,000	5,000,000
Notes in circ.	173,009,036	176,375,431
Rest fund	1,348,415	1,348,414
Depos.: Dominion ..	26,180,384	23,841,096
Banks	221,285,462	219,678,435
Other	1,884,901	621,837
Total deposits	249,350,747	244,141,368
All other liabs.	3,370,530	5,114,259
Total liabs.	432,078,728	431,979,472
Assets		
Reserve: Gold	181,258,313	181,539,104
Res. in sterling and U. S.	42,271,140	38,946,398
Other curr.	563	599
Total reserve	223,530,016	220,486,101
Subsidiary coin	251,776	228,500
Investments:		
Dom. govt. short .	161,784,089	164,359,336
Other Dom. govt. .	41,147,993	42,148,723
Total invest.	202,932,082	206,508,059
Premises	1,710,935	1,710,256
All other assets	3,653,919	3,046,556
	432,078,728	431,979,472
Reserve ratio	52.92%	52.43%

Staff Changes

The Bank of Nova Scotia announces the following staff changes:

H. B. NELSON, to be manager at West End, Calgary, Alta.

F. E. QUINLAN, to be acting manager at Campbellville, Ont.

H. F. SUMMERS, to be accountant at Vancouver, B.C.

The Royal Bank of Canada announces the following staff changes:

J. V. EAGEN, supervisor's department, Toronto, to Kingsville, Ont., as manager.

D. S. McKAY, supervisor's department, Toronto, to be manager, Welland, Ont.

Modernizing Stock Exchange Practice

Many of New York Safeguards Already in Force in Canada

Ever since the New Deal became a reality in the United States, there has been continuous effort to "reform" the New York Stock Exchange.

The difficulties in which Richard Whitney, former president of the Exchange and leader of the party opposing reform, found himself have strengthened demand for changes. The New York Stock Exchange now is a long way from the old "private club."

Much of what has been done over the past three or four years in New York hardly fits into the Canadian picture of stock exchange control.

Commenting on the way in which somewhat comparable situations had been handled on the Montreal and Toronto Stock Exchange, officials emphasized that most of the proposed New York reforms had been in force in this country for some time.

Frank Lawson, president of The Toronto Stock Exchange, told The Financial Post that had the New York Exchange's requirements for audits been as strict as that exercised in Toronto, demand for many of these changes would not now be coming up.

More Rigid Requirements

"We have required for some years," Mr. Lawson pointed out, "that any stock transactions on the part of member firms or partners for their own account must be financed outside of the capital required by these audit provisions.

"This particularly applies to underwritings. We have also permitted member firms to have associated with them limited liability companies by which underwritings can be handled, in order that the promotion business would be separated from that of the ordinary brokerage business."

Grant Johnston, chairman of the Montreal Stock Exchange, also stated that an audit system requiring two audits each year, one of which is a "surprise" audit, was already in force.

"Again, take the matter of the prohibition of margin transactions and the maintenance of margin accounts by member firms and partners doing business with the public. Under our rules," said Mr. Johnston, "members and partners are allowed to purchase securities but all accounts must be margined the same as clients' accounts and the margins must be maintained.

"The rule for the establishment of a ratio between a broker's indebtedness and working capital we would seem to have rendered unnecessary by a requirement that all brokers' collateral must be well distributed; that is to say, a member who is carrying stock is not allowed to have too much of any one security pledged for it. This is checked by the exchange's consulting auditor. We have no capital ratio rule."

Still Experimenting

Latest move on the part of New York Exchange officials is to extend listing privileges to smaller, but sound, companies. It is also planned to revise downward the present scale of listing fees.

Much of the changing that has taken place in New York has been in the way of an experiment. An example is the regulation enforced about two months ago requiring twice-a-week clearings of stock. After a trial it has been abandoned, and the exchange has gone back to the former method of two-day clearings, much the same as in Toronto and Montreal.

That Exchange reform, spurred on by the Securities and Exchange Commission under the chairmanship of William O. Douglas, is going to continue, however, is illustrated by the recently-announced 15-point programme. This programme has not been placed in full force yet and has only been adopted in principle.

Proposals Summarized

A summary of the proposals with some indication of how they compare with present accepted practices in Canada follows:

1. A central financial institution would be established to receive deposits of all classes of marketable securities involved in stock market transactions. It is presumed that this institution would effect clearings of stock certificates and permit depositors of securities to shift their interests from one to another.

In Toronto and Montreal a central clearing house handles the transfer of securities with appropriate safeguards to protect investors and member firms. It is not just clear whether the latest New York proposal is intended primarily as a convenience for stock exchange members and investors or to safeguard the interests of the public.

Incorporate Underwriting Firm

2. Firms which are members of the New York Stock Exchange would be encouraged to organize separate corporations to carry underwriting, security and commodity positions for the company's own accounts and for the accounts of other member firms or partners.

This proposal is intended apparently to separate the underwriting and brokerage functions of stock exchange members. Both Toronto and Montreal exchanges have had safeguards in this respect for some time. While there is no compulsion about it, a good many members of these exchanges already have separate companies carrying on their underwriting activities but, whether or not this is the case, the capital required for underwriting must be entirely separate from that which exchange regulations in Toronto require for regular brokerage activities.

Minimum Capital Requirements

3. From Jan. 1, 1939, no member firm which does a general business with the public, with certain exceptions, can permit its aggregate indebtedness to exceed a ratio of 15 to 1 to net capital, exclusive of underwriting capital. The present ratio limit in New York is 20 to one.

A somewhat different approach to this problem has been taken in Montreal and Toronto. The Toronto Exchange requires that a member firm's capital shall at all times be not less than 7½% of its aggregate indebtedness whenever such indebtedness is more than $250,000. This may be a slightly more stringent requirement than N. Y. proposes. In calculating capital, a stock exchange firm is not permitted to include the value of its seat on the exchange.

4. A governor of the exchange, a member of a committee, or an officer or employee of the exchange, except under specified conditions and with prior written approval of a committee and member firms, is prohibited from lending money on securities to any member, member firm or partner. The same prohibition applies against obtaining any such loans. An exception may be made if the loan be fully secured by marketable collateral and an individual may obtain a loan from, or lend money to his own firm or partners.

An obvious outgrowth of the Whitney case, this regulation has no direct counterpart in Montreal or Toronto. In Canada, however, any such loan is subject to the strict regulations as to margin requirements and member firm indebtedness.

5. No governor of the exchange or member of a committee can participate in an investigation of any member of a firm which is indebted to him, according to the latest New York proposals.

This ruling, which has no direct counterpart in Canada, excludes indebtedness arising in the ordinary course of business. Such a ruling would appear more necessary in New York than in Canada as on the American exchange the board of governors is much larger and there is a greater multiplicity of committees.

More Reports And Audits

6. In place of the semi-annual financial report of member firms as at present, the New York Exchange would require a long detailed annual statement and shorter questionnaires at approximately quarterly intervals.

7. Independent audits would be required from all member firms doing business with the public at least once a year.

8. The scope and frequency of the supervisory audit and examinations of member firms would be increased. Audits and examinations would be made at irregular intervals and without prior warning.

The three preceding requirements are already covered by audit regulations at Toronto and Montreal. The exceedingly complete character of the Toronto audit and the requirement that at least one audit each year shall be without prior warning appears to place all the necessary safeguards that are needed. New York has not had any comparable regulations of this character but their desirability has been demonstrated. For example, the New York Exchange never made compulsory financial statements or audits of firms not doing a direct business with the public, that is firms which dealt only with other brokers. Such a situation could not develop in Toronto.

Reporting Loans

9. With a few exceptions, every New York Stock Exchange member, member firm and general partner of such a firm must report at once to the exchange all loans over $2,500 whether in cash or securities.

In Toronto, a report of all loans in the aggregate is required monthly. It is not felt that more frequent reporting of loans is desirable and to report each individual item would involve an unnecessary mass of detail.

10. After April 1, 1939, no member of the New York Exchange carrying margin accounts for the general public would be permitted to trade on margin with its own firm or any other member firm. This provision would not apply to exchange firms which deal only with other brokers nor does it prohibit bank loans to purchase or carry securities or effect underwritings.

This safeguard is not approached quite so directly in Montreal and Toronto, where the regulations already mentioned as to margin requirements and capital ratio are considered sufficient to protect in any such case. It is not felt in these two exchanges that members should be prohibited from buying securities on margin so long as the other exchange regulations are lived up to.

Must Inform Partners

11. No member firm would be permitted to carry an account for a general partner of another member firm without prior written consent and the knowledge of the other partners of such firm.

Somewhat similar regulations are already in force at both Toronto and Montreal. In both the Canadian exchanges no member who is a partner in an exchange firm can have an account through another firm or member unless he has obtained the consent of all his partners. This is not intended to restrict stock exchange members or partners from trading in stocks on their own account but is intended to ensure that his other partners shall at all times know to what extent this is being done.

Looking After Specialists

12. No member of the New York Exchange, doing business as an individual, shall carry securities accounts for customers.

Neither of the Canadian exchanges have any comparable regulations which is believed to arise from the large number of private individuals who hold seats on the New York Exchange and do substantial amounts of trading on their own account.

13. More intense control and supervision of persons in the business and employment of exchange member firms will be exercised.

In Toronto and Montreal certain types of stock exchange firm employees are already supervised and must be approved by the exchange. The exchanges also carry on extensive training courses for employees.

Business Practices

14. More strict supervision over the business practices of member firms and the conduct rules are to be rigidly enforced and, where necessary, more severe penalties imposed for violations.

Much of this is being constantly done by the regulations of the Canadian exchanges.

15. Every member firm will be required to submit to the New York Exchange, weekly, a statement of its obligations in respect of underwritings and net positions resulting therefrom.

Neither in Toronto nor Montreal is there a regulation strictly comparable with this. Officials in Toronto feel that this is completely covered by the audit and capital requirements of the exchange already in force.

Weekly Bank Clearings

	Nov. 24 1938 $	Change Year Ago %	Nov. 17 1938 $
Halifax	2,496,969	— 7.5	2,352,933
Saint John .	1,759,300	+ 6.9	1,568,687
Moncton ...	811,663	—22.0	755,055
Sherbrooke .	738,284	+ 2.2	774,709
Quebec	4,693,568	—22.9	5,241,737
Montreal ...	106,620,720	—0.04	157,181,502
Ottawa	18,020,357	— 0.4	14,523,538
Kingston ...	567,102	— 1.0	512,539
Peterborough	562,968	— 8.7	618,505
Toronto	114,172,186	— 1.1	125,083,892
Hamilton ...	5,036,377	—13.6	4,544,847
Kitchener ...	1,017,973	— 5.1	1,180,938
Brantford ...	818,868	—13.8	792,108
London	2,423,967	—13.9	2,392,630
Windsor	2,845,268	—15.3	......
Sarnia	536,820	— 6.8	508,591
Sudbury	979,240	— 5.6	931,595
Fort William	675,693	—17.9	679,757
Winnipeg ...	41,468,654	+13.3	41,016,517
Brandon	299,245	— 2.0	313,983
Regina	3,687,884	+33.8	3,632,901
Moose Jaw .	549,581	+17.4	601,098
Saskatoon ..	1,293,294	+15.5	1,237,726
Prince Albert	311,995	— 6.9	328,198
Medicine Hat	251,703	+ 9.3	268,250
Lethbridge ..	562,349	+11.9	641,509
N. W'minster	634,220	+ 7.1	595,180
Vancouver ..	18,743,150	+12.0	17,174,379
Victoria	1,608,098	— 3.8	1,452,750
Calgary	6,779,224	+10.7	6,136,084

Acadia Sugar Co. Doubles Ordinary Dividend

From Our Own Correspondent

MONTREAL.—Acadia Sugar Co. has declared a dividend on the ordinary stock of 20 cents a share, payable on Dec. 1. A dividend of 10 cents a share was paid June 1 last, making a total of 30 cents a share for 1938, same as paid in 1937.

Bank Chat

Norman B. Cummins, manager of the Chatham branch of the Imperial Bank of Canada, has assumed the presidency of the Chatham Kiwanis Club.

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At the annual meeting of the Imperial Bank of Canada last week, H. T. Jaffray, general manager, stated that during the year pension funds of the bank had been placed on a contributory basis with certain assured benefits in the event of retirement, or to dependents in the event of death. Under the arrangement the bank contributes 5% of the salaries of the participants in the pension scheme and an equal amount is contributed by the staff.

• • •

At the convention of the American Bankers Association at Houston, Texas, recently, term loans came in for a good deal of discussion. These loans do not appear to meet with much favor among Canadian bankers. They are described as an intermediate capital credit, something in between the ordinary commercial loan and an investment security. They are written to run for a period of years. This puts them out of the class of the ordinary bank loan in this country which is a short term credit. They are usually predicated upon complete extinction by serial payments.

• • •

More Gold for U. S.

If present plans for the Japanese Government are carried out the enormous stocks of gold and silver held by the United States treasury will be swelled further by shipments from that country. Tokio authorities recently established a Gold Production Council which aims to increase gold production to about $150,000,000 a year, of which 40% would be produced by Japan and the rest by Korea. Efforts are also being made to increase silver production, and to stimulate sales abroad by the Government.

As the gold production of both Japan and Korea in 1936 was approximately $43 millions it is evident that there will have to be a very considerable increase in output before it comes anywhere near the figure suggested.

Movement of silver from Japan is likely to be supplemented by heavier shipments from China. Chinese representatives have been negotiating with the Treasury Department at Washington on a new agreement for the sale of silver from China to the United States—to finance imports.

• • •

F. Hedley Marsh, recently appointed general manager of the Bank of Toronto, was the guest of honor at a banquet sponsored by the Toronto branch of the Canadian Institute of Mining and Metallurgy last week. Mr. Marsh has always had close contact with the mining industry. One of his first appointments in the bank was at Kenora, then Rat Portage, in the days when that district was having its first mining boom. Then he went to Cobalt at the very beginning of that camp and has subsequently had contact with other important mining areas. S. H. Logan, president of the Canadian Bank of Commerce, who has also maintained close relations with the mining industry, was the guest speaker at the dinner.

• • •

Branches of Canadian chartered banks at October 31, 1938, totalled 3,472, according to Houston's Bank Directory for November. The directory records the opening of one new branch and the closing of two. The new branch was opened by the Bank of Montreal at Cline Lake, Ont., as a sub-branch. The offices closed were at Handel, Sask., and Winnipeg (Lombard St.), by the Imperial and Bank of Montreal respectively.

• • •

A New York bank which recently made a trade enquiry about a businessman received the following: "About $200 a month. Pays promptly. Has all the characteristics of a banker. Has money. Owns his own home. Worn the same suit for 20 years and is willing to loan one lunch money providing plenty of collateral is put up."

Banking Service

1817-1938

BANK of NEW SOUTH WALES

Head Office: Sydney, Australia

General Manager: SIR ALFRED DAVIDSON, K.B.E.

Assets of £123 millions. Over 860 branches in Australia, New Zealand & Pacific Islands.

London Offices at 29 Threadneedle St., E.C.2. and at 47 Berkeley Square, W.1.

Agency arrangements with Banks throughout Canada.

THOUSANDS of square miles of timber country constitute Canada's natural resources in the pulp and paper industry. To transform these natural resources into national wealth requires capital. The capital invested in this great Canadian industry is represented, in many instances, by securities engraved and printed by this company.

BRITISH AMERICAN BANK NOTE COMPANY LIMITED

The Old Canadian Company *Established 1866*

HOWARD W. PILLOW, *President*
CHARLES G. COWAN, *Vice-Pres. & Man. Dir.*
G. HAROLD BURLAND, *Sec.-Treas.*

HEAD OFFICE: OTTAWA
262 Wellington Street

811 Place d'Armes MONTREAL
1110 Montreal Trust Bldg., TORONTO

1832 1938

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Clients having banking transactions in the United Kingdom are cordially invited to avail themselves of the facilities of our London, England, Branch, 108 Old Broad Street, E.C.2.

World-wide facilities in every department of banking

The BANK of NOVA SCOTIA

OVER A CENTURY OF BANKING SERVICE

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The WESTERN SAVINGS and LOAN ASSOCIATION

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OFFICES:
Agency Building - - - Edmonton, Alta.
221A 8th Ave. W. - - - Calgary, Alta.
McCallum-Hill Building - - Regina, Sask.
411 Avenue Building - - Saskatoon, Sask.

BANK OF MONTREAL

Established 1817

A presentation, in easily understandable form, of the Bank's

ANNUAL STATEMENT

31st October, 1938

LIABILITIES

LIABILITIES TO THE PUBLIC	
Deposits	$763,156,945.74
Payable on demand and after notice.	
Notes of the Bank in Circulation	22,542,921.50
Payable on demand.	
Bills Payable	149,848.31
Time drafts issued and outstanding.	
Acceptances and Letters of Credit Outstanding	8,377,574.84
Financial responsibilities undertaken on behalf of customers (see off-setting amount in "Resources").	
Other Liabilities to the Public	3,112,201.10
Items which do not come under the foregoing headings.	
Total Liabilities to the Public	$797,339,491.49
LIABILITIES TO THE SHAREHOLDERS	
Capital, Surplus and Undivided Profits and Reserves for Dividends	76,916,337.39
This amount represents the shareholders' interest in the Bank, over which liabilities to the public take precedence.	
Total Liabilities . .	$874,255,828.88

RESOURCES

To meet the foregoing Liabilities the Bank has	
Cash in its Vaults and Money on Deposit with Bank of Canada	$ 88,225,623.35
Notes of and Cheques on Other Banks	30,371,395.13
Payable in cash on presentation.	
Money on Deposit with Other Banks	33,943,063.62
Available on demand or at short notice.	
Government and Other Bonds and Debentures	440,736,820.55
Not exceeding market value. The greater portion consists of gilt-edge securities which mature at early dates.	
Stocks	159,651.75
Industrial and other stocks. Not exceeding market value.	
Call Loans outside of Canada	21,493,005.38
Secured by bonds, stocks and other negotiable securities of greater value than the loans and representing moneys quickly available with no disturbing effect on conditions in Canada.	
Call Loans in Canada	5,374,980.29
Payable on demand and secured by bonds and stocks of greater value than the loans.	
Bankers' Acceptances	30,579.85
Prime drafts accepted by other banks.	
TOTAL OF *QUICKLY* AVAILABLE RESOURCES (*equal to 77.80% of all Liabilities to the Public*)	$620,335,119.92
Loans to Provincial and Municipal Governments including School Districts	37,015,594.19
Other Loans	190,687,855.52
To manufacturers, farmers, merchants and others, on conditions consistent with sound banking.	
Bank Premises	13,900,000.00
Two properties only are carried in the names of holding companies; the stock and bonds of these companies are entirely owned by the Bank and appear on the books at $1.00 in each case. All other of the Bank's premises, the value of which largely exceeds $13,900,000, appear under this heading.	
Real Estate, and Mortgages on Real Estate Sold by the Bank	1,096,707.73
Acquired in the course of the Bank's business and in process of being realized upon.	
Customers' Liability under Acceptances and Letters of Credit	8,377,574.84
Represents liabilities of customers on account of Letters of Credit issued and Drafts accepted by the Bank for their account.	
Other Assets not included in the Foregoing	2,842,976.68
Making Total Assets of	$874,255,828.88
to meet payment of Liabilities to the Public of	797,339,491.49
leaving an excess of Assets over Liabilities to the Public of	$ 76,916,337.39

PROFIT and LOSS ACCOUNT

Profits for the year ended 31st October, 1938, after making appropriations to Contingent Reserve Fund, out of which Fund full provision for Bad and Doubtful Debts has been made, and after deducting Dominion and Provincial Government Taxes amounting to $1,152,618.49 . . .		$3,398,390.99
Dividends paid or payable to Shareholders . . .	2,880,000.00	
Appropriation for Bank Premises	500,000.00	
		3,380,000.00
		$ 18,390.99
Balance of Profit and Loss Account, 30th October, 1937		1,164,863.33
Balance of Profit and Loss carried forward		$1,183,254.32

CHARLES B. GORDON, *President*

JACKSON DODDS, G. W. SPINNEY, *Joint General Managers*

* * *

The strength of a bank is determined by its history, its policy, its management and the extent of its resources. For 121 years the Bank of Montreal has been in the forefront of Canadian finance.

Pulp and Paper Industry

Canada as Rayon Pulp Source Seems Assured

Rayon is approaching a limit of expansion in those fields for which it is suitable, considering its present properties and its price relative to those of competing fibres, according to a report by a committee of the U. S. Department of Agriculture on the development and use of rayon and other synthetic fibres.

Some further expansion in the use of rayon in the next few years is to be expected but the tremendous relative gains of the past are not likely to be repeated. The committee believes that there may be a further forced growth in the use of rayon in certain countries for national economic reasons. This has occurred in Germany, Italy and Japan.

Effects Canadian Pulp

Canada is very much interested in this report on the outlook for the use of rayon because this country is an important producer of the woodpulp which is one of the two major sources of rayon at present. The other source is cotton linters.

Present major cellulose sources, the basic substance used in the manufacture of rayon, are spruce, western hemlock and cotton linters. None of these appear to be in any danger of rapid depletion according to the committee's report but there are a number of potential sources adequate to meet any expansion likely to occur in the production of rayon. One of the most promising of these is southern pine, while cellulose made from sugar cane bagasse also has possibilities.

Staple Fibre Gains

The last five or six years has seen a notable increase in the production and use of rayon staple fibre. In 1931 world production of this fibre was less than 2% of the production of all types of rayon but in 1937, six years later, it was more than 34%. Total world production of all types of rayon has increased at a high rate each year from 1920 to date, the average rate of increase over the entire period being about 20% annually. Even the recent depression failed to more than temporarily retard this growth. In 1937 world rayon production was about 150% greater than in 1933.

With regard to possible future growth of rayon uses, the committee points out that expansion so far has been largely in the field of fabrics, where appearance is of greatest importance. Where durability and low-price are of greatest importance, rayon is not able to compete successfully with cotton and this appears to limit the possibility of rayon making any substantial inroads into the cotton field at present.

The research conducted by the committee finds that large quantities of rayon staple fibre are now used in mixtures with wool but the fibre is not as resilient as the better grades of wool. This appears to limit the expansion of rayon in this field. In like manner there are uses for silk, chiefly women's hosiery, into which rayon stands little chace of appreciable expansion.

Raw Material Supplies

The report deals at considerable length with the present supplies and alternative sources of the cellulose used in making rayon. The study, however, does not suggest any great likelihood that Canada is to lose its importance as a supplier of the woodpulp going into this fibre.

The conclusion is that it would not be reasonable to expect any shortage of supplies from the moderate quantities of the particular grades of pulpwood which are used for producing bleached sulphite woodpulp but there is a possibility that the cost of producing this will gradually become higher as sources of woodpulp become more inaccessible.

Southern pine is referred to and it is stated that a plant is now under construction which plans to produce pulp for the rayon trade and will probably be completed in the early part of 1939. If this plant is successful others are likely to follow.

Sheets of pulp ready for use in the making of rayon.

Paper Exports Down Sharply

Shipments to Australia and New Zealand Are Higher

From Our Own Correspondent

MONTREAL. — Overseas shipments of Canadian newsprint for the nine months ended Sept. 30, 1938, totalled 359,304 tons, as against 427,156 tons for the same period in 1937. For the current year, shipments to the United States amount to 1,360,020 tons, down from 2,101,373 tons a year ago.

Examination returns of shipments by countries shows that decline to be fairly general. However, shipments to Australia, New Zealand and British West Indies increased.

Notable among the changes was a very sharp decline in shipments to the South American countries. In 1937, for example, shipments to Brazil totalled 5,122 tons and this year only 23 tons. The marketing returns for other South American countries were much the same.

Comparative figures for the nine months ended Sept. 30, 1938 and 1937 follow:

Newsprint Shipments (In Tons)
Nine Months Ended Sept. 30

	1938	1937
United Kingdom	123,520	113,658
Eire (Irish Free State)	13,925	13,344
Australia	131,818	94,986
New Zealand	26,993	17,132
British India & Burma	1,155	3,034
British South Africa	16,117	19,150
British West Indies	1,713	914
Other West Indies	2,089	2,394
Argentina	22,658	52,529
Brazil	23	5,122
Chile	726	8,209
Peru	402	3,811
Uruguay	1,331	3,703
Venezuela	1,181	3,546
Other South America	161	2,844
Central America	710	1,225
Mexico	94	13,194
Cuba	6,112	13,455
Japan	1,769	30,645
China	225	15,267
East Indies	973	1,829
Philippines	1,985	3,946
All Others	3,624	3,219
Total Overseas	359,304	427,156
U.S.A.	1,360,020	2,101,373
Total exports	1,719,324	2,528,529

East Kootenay Power October Income Down

From Our Own Correspondent

MONTREAL.—East Kootenay Power Co., a subsidiary of Power Corporation of Canada, reports gross income in October of $47,308, compared with $48,945 in the same month last year. Operating expenses showed a slight decline, leaving net earnings at $33,244, or $197 less than last year.

Gross for the seven months ended Oct. 31 totalled $332,505 compared with $325,048 for the same period last year. Operating expenses were higher by $4,843, leaving net earnings at $228,106, an increase of $2,609 from the $225,497 reported in 1937.

The following are comparative figures for October and seven months:

Month of October	1938 $	1937 $
Gross earnings	47,308	48,945
Oper. expenses	14,064	15,504
Net earnings	33,244	33,441
Seven Months Ended Oct. 31		
Gross earnings	332,505	325,048
Oper. expenses	104,399	99,551
Net earnings	228,106	225,497

Newsprint Sales Down In South American Market

From Our Own Correspondent

MONTREAL. — Canadian newsprint manufacturers' price policy in the South American market has proven to be a boomerang. The sharp advance in price last year has been followed by an equally sharp curtailment in demand. For the first nine months of 1938, shipments to South America totalled 26,321 tons, whereas for the same period in 1937, exports aggregated 76,920 tons.

The most notable change has been in connection with the Brazilian market which has been practically lost to the Canadian producers.

Rigid Board Sales Holding

Decline in Output of Specialties Holds Down Aggregate Total

From Our Own Correspondent

MONTREAL.—October production of rigid insulating board by International Fibre Board Co., Building Products, and Donnacona Paper Co., amounted to 4,725,997 square feet. This compares with 4,467,857 square feet in September, 1938, and $5,378,275 sq. ft. in October, 1937.

Cumulative returns for the first 10 months of the 1938 show an output of 41,121,270 sq. ft., as against 44,791,250 sq. ft. for the like period of 1937. The decline is principally due to lower production of plaster base board and miscellaneous board, as production of the other types was well-maintained.

Decline on Year's Total

Comparative returns for October an the 10 months ended October, 1938 and 1937 follow:

October (In square feet)

Board:	1938	1937
Panel	3,394,925	3,525,162
Plaster base	571,740	708,780
Roof	521,706	627,302
Miscel.	237,626	517,031
Total	4,725,997	5,378,275
10 Months Ended October		
Panel	31,124,765	31,390,279
Plaster base	3,181,350	6,042,471
Roof	3,387,519	3,840,033
Miscel.	2,427,643	3,519,167
Total	41,121,270	44,701,950

Quebec Lets Contract For New Hydro Plant

From Our Own Correspondent

MONTREAL.—Contract for construction of the new provincially-owned hydro-electric plant at Noranda in the Temiskaming district, has been granted to the Dufresne Construction Co. The company, acting under the control of the National Electricity Syndicate, will act as agents for the province as regards construction of the plant, of the dam and of the transmission line, which will distribute electricity and power to this company at the Noranda and Siscoe Mines.

The contractor will be paid 5% on the cost price.

Rockwool Corp. Will Pay 5.2 Cents to Noteholders

Final report of the receiver and manager of Rockwool Corp. (Canada) Ltd. states that a final dividend of 5.204% will be paid on the 5% 10-year sinking fund floating charge notes. The payment will be made on Dec. 9, 1938.

Notes should be forwarded to Harold A Shiach, 219 Bay St., Toronto.

A CORRECTION

In comparing the apparent consumption of newsprint paper in the United States during October with September of this year, the statement was made in last week's issue of The Financial Post that the October returns were about 1,000 tons less. The statement had reference to another comparison and should have read that consumption in October, 1938, was 12.6% over September, 1938.

SHIPMAN BOXBOARDS
LIMITED
Hamilton, Ontario
CORRUGATED SHIPPING CASES
Inquiries Solicited

Plans are Laid For Rayon Mill

Deep River Development Plans to Build on Coast

From Our Own Correspondent

MONTREAL.—Erection of a large pulp mill at Duncan Bay, Vancouver Island, is proposed by the Deep River Development Corp., says the Paper Trade Journal. It is proposed to erect the mill near Elk Falls, production to be limited to rayon pulp. The development will consist of several one and multi-story units, with power house, pumping station and other mechanical divisions. The cost, including equipment, is placed at $3 millions.

Formal application for the right to harness Campbell River power has already been made by the company to the provincial authorities, and will be officially heard by the water board by the end of this month. The company also has filed an application with the Government for the right to purchase land for the power plant just below Elk Falls. The company further proposes to erect a dam to control the level of the lower Campbell River.

Affect B. C. Electric

The new venture is attracting considerable attention on the coast for the reason that control of the Campbell River power is necessary for its success. At present the rights to the river are held by B. C. Electric Railway, but the Government has a definite understanding with it that if any other concern wants to use the power it must go ahead with development itself or withdraw altogether.

Little information is available as to the interests behind the Deep River Development Co., other than American interests are supposed to be back of it.

National Sewer Reduces Losses

Sales Up But Absence of Municipal Construction Continues

National Sewer Pipe was able to reduce its net loss in the year ended Oct. 31, 1938, to $29,776 from $33,134 for the year before. Accumulated deficit carried forward has grown to $161,257. The latest period marks the sixth consecutive net loss to be reported by the company. The latest loss is after all charges. Depreciation reserves, for example, have increased during the year from $897,046 to $949,305.

Ryland H. New, president, states that sales improved only slightly over the preceding year and any volume of municipal construction is still absent.

Regarding the newly signed trade agreements, Mr. New says: "Your board has noted with much concern the terms of the United States-Canada trade agreement which makes it increasingly difficult for our industry, with higher costs and limited market, to compete with products manufactured in the United States."

Balance sheet as at Oct. 31, 1938, shows cash on hand of $521,284 and call loans of $60,000. A year ago cash was $131,409 and call loans $420,223.

Accrued dividends on the class A shares are in arrears since Dec. 15, 1933, at the annual rate of $2.40 a share.

Income and Surplus Account
Years Ended Oct. 31

	1938 $	1937 $
Operating loss	42,272	54,290
Less: Sundry revenue	12,496	21,156
Net loss	29,776	33,134
Add: Previous deficit	131,481	98,347
Deficit forward	161,257	131,481
Working Capital		
Current assets	884,162	874,794
Current liabilities	15,593	25,146
Working capital	868,569	849,648

B. C. Lumbermen Speculate On Effect of Trade Treaty

From Our Own Correspondent

VANCOUVER. — Prospect of breaking into the Australian, South African and other promising Empire markets may be the deciding factor when the United States considers the advisability of exchanging free entry of Canadian lumber into the American market for similar concessions on its own product in the United Kingdom.

Just how the three-way distribution of lumber between Canada, the United Kingdom and the United States will affect British Columbia is still a matter of speculation. Under the new trade agreements the United Kingdom will reduce the tariff on American lumber of certain classes January 1 to about $2 a thousand feet.

Lumbermen in Vancouver point out that this concession will principally affect door stock and clears, representing between 10 and 15% of British Columbia's trade with the Motherland. It does not apply to box boards or railroad ties at all. Exporters here do not expect that American sales to the United Kingdom, even with this advantage, will affect the volume of business now being done by B. C. in this class of lumber. One result of opening the U. K. market to American lumber of this class may be a higher price level.

A much more far-reaching effect may follow if and when the United States decides to slash the excise duty on Canadian lumber entering the American market. This reduction must be made if the United States is to be granted duty-free access to the British market for the lumber to be admitted January 1 under the reduced tariff of $2 a thousand.

Market Toss-up

B. C. lumbermen say it is largely a matter of opinion whether prospective gains in the United States market will compensate for loss of the full British preference in the United Kingdom. Happily for B. C., the Empire preference took effect just at the time when Britain was launching its great housing programme. As a result of the great demand for lumber in the United Kingdom, B. C. exports have risen considerably higher than 600,000,000 feet a year. But there is a widespread feeling that the British market is already on the wane; that B. C. has skimmed the cream from the housing programme orders, and that the United States, providing that recovery continues, may offer the best field for expansion during the coming decade.

The issue depends on American interests, however, for they are the ones to decide whether free entry into the British market for their lumber will compensate for reopening of their own field to Canadian lumber, duty free. They may decide that it would be wiser policy to cling to their newly won advantage in the United Kingdom while continuing to keep out Canadian lumber.

The factor that may be just enough to turn the scales is the prospective market in Empire countries such as Australia, South Africa and New Zealand. Under the terms of the Canada-U. S. agreement, Canada agrees not to interpose objections to deals for the reduction of tariffs on lumber in the British Dominions.

Canada Northern Net Records Drop

Advance in Operating Expenses Offsets Increase in Gross Income

From Our Own Correspondent

MONTREAL. — Canada Northern Power Corp. reports gross income in October of $439,051, an increase of $10,976 over the same month last year. Owing to a relatively sharp advance in operating expenses, the improvement in gross is not reflected in net earnings, which stood at $244,016 compared with $250,788 a year ago.

Cumulative returns for the 10 months to the end of October show gross income of $4,244,166, an increase of $139,403 over the same period of 1937. The higher operating expenses offset the increase in gross, leaving net revenue at $2,353,702, compared with $2,396,793.

Power production last month at 60,353,113 kw.h., was 4,511,115, kw.h. over the output for October last year and brought the total production for the 10 months to 578,218,179 kw.h. against a comparative figure of 535,335,293 kw.h. in 1937.

During October, 401 new customers were added to the company's system. At the end of October, the company was serving 21,965 customers as against 19,203 customers at the end of October last year.

Comparative earnings statements follow:

October	1938 $	1937 $
Gross income	439,051	428,075
Operating expenses	195,035	177,287
Net earnings	244,016	250,788
10 Months Ended October		
Gross income	4,244,166	4,104,763
Operating expenses	1,890,464	1,707,970
Net earnings	2,353,702	2,396,793

U. S. Retail Advertising Reflects Better Trend

MONTREAL. — Retail advertising in 80 of the more important markets in the United States continues to hold the improvement noted earlier in the month. For the week ended Nov. 19, newspapers in the 80 reporting cities handled 23,230,083 lines of retail advertising, a decline of only 4.9% from the week of Nov. 20, 1937.

Breakdown of returns show 23 of the 80 cities report greater volume of advertising in the week of Nov. 19 than was the case a year ago.

Abitibi Power & Paper Company, Limited
TORONTO, ONT.
Owning directly or through subsidiary companies, mills at
Beaupre, Que. — Iroquois Falls, Ont.
Pine Falls, Man. — Smooth Rock Falls, Ont.
Sault Ste. Marie, Ont. — Fort William, Ont.
Port Arthur, Ont.
Newsprint
Groundwood Pulp — News Sulphite Pulp
High Grade Bleached Sulphite Pulp

Bathurst Pays 25c on Class A

Operating Volume Has Shown Improvement in Last Six Months

From Our Own Correspondent

MONTREAL.—Bathurst Power & Paper Co. has declared an interim dividend of 25 cents a share on the 400,000 class A shares outstanding, payment to be made on December 19 to shareholders of record December 10. A similar interim dividend of 25 cents a share was declared last year.

Operating volume of the company has shown a steady improvement over the past six months, according to R. L. Weldon, president. Indications were, he said, that this improvement would be continued into next year.

Look for Betterment

"The business of the company," stated Mr. Weldon, "has, of course, been affected by the conditions prevailing generally in the pulp and paper industry, but there is good reason to expect an improvement in operations for the coming year, and evidence of this is already seen in an increasing demand for our products in both domestic and export consumption.

"I might add that the strong financial position of the company has been maintained and a declaration of this interim dividend is in line with the conservative policy adopted by the directors."

Pulp and Paper Freight Slows Up for Past Week

From Our Own Correspondent

MONTREAL.—A small contraction was noted in the car loadings of pulpwood, pulp and paper, for the week ended Nov. 12, 1938, as compared with the like period a year ago. This change has no particular significance.

On a cumulative basis, the returns this year show an increase for pulpwood, while pulp and paper car loadings are running at about the rate of two thirds of that reported for 1937.

Carloadings of Pulpwood	
Week ended Nov. 12/38	884
Week ended Nov. 13/37	942
Year to Date	
1938	77,128
1937	72,282
1936	54,690
Pulp and Paper Carloadings	
Week ended Nov. 12/38	1,897
Week ended Nov. 13/37	2,501
Year to Date	
1938	77,357
1937	117,014
1936	98,862

October Paper Exports Compare With Last Year

From Our Own Correspondent

MONTREAL.—Paper exports from Canada in October were valued at $7,627,288 compared with $12,029,018 in October, 1937, according to a return of the Dominion Bureau of Statistics.

Shipments of newsprint paper, the largest single item among the exports, amounted to $4,961,357 cwt. valued at $10,834,212, against 6,046,507 cwt. valued at $7,167,970 in October last year.

Exports of wood pulp and screenings last month were valued at $2,502,430, compared with $4,520,012 a year ago.

Shawinigan—Power load has recently shown a satisfactory increase, reflecting, in part, greater activity in the newsprint industry.

Town in Default

From Our Own Correspondent

MONTREAL.—The town of Greenfield Park, Chambly County, is to be declared in default on Dec. 7, according to a notice appearing in the Quebec Official Gazette by Quebec Municipal Commission.

JAMES W. SEWALL
Timber Cruises and Valuations
JAMES W. SEWALL
Old Town, Maine
PHILLIPS & BENNER
Ruttan Block, Port Arthur, Ont.

FRASER COMPANIES LIMITED
FRASER PAPER LIMITED
RESTIGOUCHE COMPANY LIMITED
Manufacturers of
LUMBER — SULPHITE PULP — PAPER BOARD
GROUNDWOOD PRINTING PAPER
BLEACHED SULPHITE PAPER
"RESTICOSE" RAYON PULP
Executive Office: Dominion Square Bldg., Montreal, P.Q.
General Office: Edmundston, New Brunswick

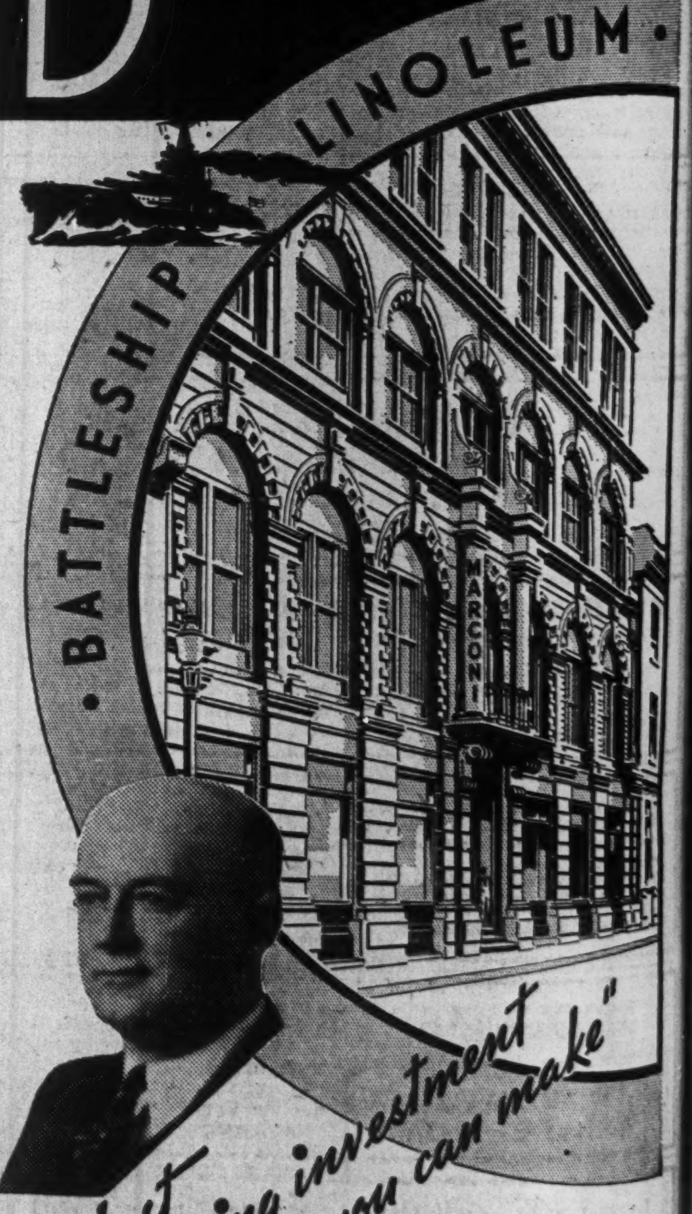
ANGLO-CANADIAN PULP AND PAPER MILLS LIMITED
Manufacturers of
NEWSPRINT PAPER
CAPACITY: 600 TONS DAILY
OFFICES and MILLS at QUEBEC CITY
Direct Connection With Both Canadian Railways
Privately-owned Wharf on Tidewater

DONNACONA PAPER COMPANY LIMITED
GROUNDWOOD and SULPHITE PULP • NEWSPRINT and "DONNACONA BOARD"
Mills at the Company Townsite of Donnacona, P.Q.
HEAD OFFICE • QUEBEC CITY

PRICE BROS. & Company Limited
NEWSPRINT and BOARD
Mills : Saw Mills
SULPHITE BLEACHED SULPHITE
FOURDRINIER SPECIALTIES
Newsprint Mills at Kenogami, Riverbend, Jonquiere
HEAD OFFICE — PRICE HOUSE — QUEBEC CITY

EARNSCLIFFE
LINEN BOND
It is a fact that good business stationery does win customer respect and goodwill. A fact proved daily by letterheads of "Earnscliffe Linen Bond". Few bond papers meet the three-way test so completely. Few possess the beauty of texture that so pleases the eye . . . the crisp substance that greets the fingers . . . the distinction that impresses minds . . . the unconscious judgment of your House by those with whom you correspond.
This Watermark identifies Rolland papers — made in Canada by Canadian craftsmen.
Specify "Earnscliffe Linen Bond" to your printer.
ROLLAND PAPER COMPANY LIMITED
High Grade Paper Makers Since 1882
MONTREAL — TORONTO
Mills at ST. JEROME and MONT ROLLAND, Que.

DOMINION



says ....
SUPERINTENDENT OF MARCONI BUILDING
Montreal
The permanence of Dominion Battleship Linoleum, plus its freedom from costly upkeep, make it a wonderful office flooring investment, in the opinion of P. Letourneau, who speaks with the authority of long experience. For these reasons, and because of its smart appearance, quiet and foot-comfort, Dominion Battleship Linoleum was chosen *for the floors of the Marconi Building.* Available in 19 colours and effects, Dominion Battleship Linoleum can be laid with or without border effects or in tile and many other treatments. Ask your architect or flooring contractor about our 5-year guarantee.
DOMINION OILCLOTH & LINOLEUM COMPANY LIMITED - MONTREAL
"How much of your Overhead is Underfoot?"

Opposition Remains Sceptical Over New Alberta Credit System

From Our Own Correspondent

EDMONTON.—The Social Credit Government's interim programme of treasury branches, providing deposit facilities and paying a 3% bonus on all business, of which a third is in Alberta-made goods, will be extended to all parts of Alberta, according to Hon. Solon Low, provincial treasurer.

Mr. Low put through legislation at the recent special session of the Alberta House to validate the treasury branch programme, started several weeks ago. Nine branches have already been opened, and others, along with sub-agencies, will be opened in future.

Opposition members of the Legislature invited the Social Crediters to proceed with their programme, stating their opinion that there was "nothing in it." D. M. Duggan, Conservative leader, urged the Government to clean up the old savings certificates scheme, in suspense since 1935, before starting a new scheme involving deposits from the public.

The treasury branches were not banks, said Mr. Low. They would provide the opportunity of "economic co-operation" for the public.

The Alberta Government might still accept the offer of Hon. C. A. Dunning, Federal Minister of Finance, for a bank charter. But the reason it had not gone into the banking business was that "eastern finance" would like nothing better than to compete with the province in banking, and it was idle to think of operating banks until "they conceded to the people the right to determine credit policy."

Alberta was determined to press on, he said. But the new treasury branches would not attempt to "manufacture money" or issue loans.

Scepticism of the programme voiced by the Opposition members of the Legislature has some basis, it appeared to observers, since the new treasury branches appeared to be making little difference to business conditions.

CHARTERED ACCOUNTANTS

WATCHDOG or BLOODHOUND?

A learned English judge once characterized the auditor "as a watchdog, not a bloodhound." But he can perform the functions of both. Not only is he the auditor of his client's accounts, but he can be an investigator as well.

Expanding commercial horizons have greatly increased the sphere of professional activity of the chartered accountant. Many occasions arise on which he conducts investigations for special purposes . . . the banker needs his services to examine the affairs of a business which is seeking a loan. The buyer or seller of a business or the interested parties to a consolidation or merger will seek his independent judgment in evaluating the worth of the organization as a going concern. The law requires that his services be engaged when a prospectus for a new security issue is prepared. Also, in the case of a fire loss or a tax dispute his services may be valuable.

Each enquiry will have its special considerations dictated by the purposes for which it is instituted. On each investigation the professional accountant can bring to bear a thorough knowledge of business problems developed through his continual contact with the affairs of many and varied classes of businesses. He is the one best fitted to render those services as a consultant and investigator which the problems of the business community require.

One of a series of brief discussions of the work of the professional accountant.

Masecar, DeRoche & McMillan
Chartered Accountants
SASKATOON, SASK.

MILLAR, MACDONALD & CO.
Chartered Accountants
WINNIPEG, MANITOBA

OSCAR HUDSON & CO.
CHARTERED ACCOUNTANTS
Head Office — 199 Bay St. — Toronto, Ont.
Telephone ADelaide 2381
Branches — London, Montreal, Windsor, Winnipeg, Vancouver

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Britain's Bid for Strength — No. 2

Voluntary Versus Compulsory Defense

Sweeping Organization For National Service Demanded by Public

In the second of a group of articles on an awakened Britain, Brian Meredith, a Canadian writer, resident in London, discusses the approach of the three main political groups to the means of providing the wholesale organization for defense now demanded by the public.

Men for the air force. The British Government is rushing recruiting.

By BRIAN MEREDITH

LONDON.—"I wish I knew definitely what I could do in an emergency," I heard a man remark the other evening. "I would like to know that I would be assigned to some certain job in the defense of my country, and that I would be trained to fill it . . ."

That is the view of most Englishmen these days. They are preoccupied with the wholesale organization of the nation for defense. They have not yet consciously worked out the basic nationalization that might logically follow for peace. But the danger is so real and public sentiment is so far aroused to meet it that the enlistment of all citizens in some form of national service seems certain. The question only is whether it will be on voluntary or compulsory lines, and how complete will be the control of industry, finance and labor. Co-operation must be guaranteed else the set-up would be powerless.

Developments in Dominions

Just as Canada regards Great Britain as a parliamentary proving ground and a source of suggestion and inspiration in national organization, so Great Britain watches developments in her Dominions. Some Dominions show an initiative and a willingness to make experiments long cogitated in Europe, and the results are weighed carefully. So far Canada nationally has not attracted much attention, and it has only been the eccentricities of our provinces that have gotten publicity.

It is otherwise with New Zealand and Australia. Australia in particular is preoccupied with the problems of defensive organization. Australia's travail with the unwanted progeny of National Service is thus editorialized in The Times:

"Both by the Australian Government and by the Opposition defense is interpreted in the broadest sense, not as a mere matter of man-power, arms and military organization. They both regard as essential a mobilization of industry by which the whole resources of the country can be coordinated to contribute to the defensive strength of the nation with the greatest effect and the greatest economy.

"At the recent meetings of the Premiers' Conference and the Loan Council, proposals were laid by the Federal Government before the State Governments intended to ensure that both in public works and in any encouragement given to industrial enterprise priority should go to undertakings having a defense value, direct or indirect. . . . The meetings, it is true, yielded no concrete result. The premiers were unable to agree upon methods of co-operation with the Federal Government which would prove effective without sacrificing the sovereign rights of the states." (Where have we heard of that impasse before?)

"But there was no dispute over the importance of the objects to be achieved or the urgency of achieving them. Mr. Curtin—in a speech—urged that the concentrating of wealth and power in two or three centres of activity was a hindrance to the growth of a true Australian patriotism. He urged that the Federal Government should collaborate with the leaders of primary and secondary industries to bring about a better distribution of population and industry. . . ."

Situation in Britain

The situation in Great Britain is not dissimilar. There is no dispute over importance or urgency, but so far the parliamentary parties have produced no concrete result. The run of affairs, with Parliament now in session, is changing daily, so that one can only pick at straws that show direction and can only guess at new party alignments.

The first step likely to follow the appointment of Sir John Anderson, the new minister without portfolio tacitly designated to have charge of the organization of civilian man-power, may be the establishment of the much discussed National Register. This means that the Government would take a census of the abilities and potential usefulness of all citizens, men and women, in the event of war.

But there is the general feeling that it would be a hesitant half-measure. This is what bellicose and outspoken Duff-Cooper, who retired from the Cabinet after the crisis, thinks of any plan conceived on a purely voluntary basis:

"When a war breaks out the people of Great Britain will not allow the whole brunt of it to be borne by those who had the energy and courage to volunteer their services in peace time while their jobs are taken by the slackers and cowards. There will be an irresistible demand that a new and real register of the whole nation on a compulsory basis be drawn up immediately and the old one will only remain as a historical curiosity and as a record of time wasted by civil servants, of money wasted by the public, and of the ineptitude of ministers."

Value Nil

The value of the latter, he thinks, will be "precisely nil." It will be as useful as a record of Christmas Goose Clubs. "For those who are truly anxious to serve their country are doing so at present" — in the naval, military and air reserves.

He thus refers to the Ministry of Supply, which is being cited as an essential corollary to registration and national service and which, he says: "Was turned down by the Prime Minister for the inadequate reason that it would be useless unless it was furnished with compulsory powers. The obvious method of overcoming that difficulty would be to furnish it with such powers."

If the objection, he argues, was the Prime Minister's pledge not to introduce compulsion during the lifetime of the present Parliament, then its lifetime is short anyway and there could be no better argument for hastening its end than the urgency of introducing some measure of compulsion. "Make Every Man a Fighter," was the title of his article on the subject.

Coming from an ex-cabinet minister of the National Government, this viewpoint, both in the matter of compulsory registration and a Ministry of Supply endowed with powers of compulsion, carries weight. Many within the Conservative party are in agreement with him in demanding far-reaching powers.

Debate on the move for a Ministry of Supply will have aired the situation within the next few days, and backing for the Duff-Cooper attitude will likely have come from unusual outside sources.

Liberal, Labor Opinion

The Opposition Liberals have introduced the amendment that will probably start the ball rolling; and a labor member has already said in the House: "A Ministry of Supply would not confine itself merely to supervising machines made by existing private firms, but would undertake the manufacture of machines by the State itself."

Labor, of course, has been urging the nationalization of armament manufacture for a long time, and would also like to see industry state-controlled to a degree that might be possible under new proposals. Labor, however, would not similarly warm to the prospect of state-controlling trade unionism. Their attitude is given in the party manifesto demanding a "Supreme National Effort for Peace," issued on the eve of the opening of Parliament.

It called (in addition, of course, to a change of Government) for the absorption of unemployment in national defense works, saying that British democracy must be made strong, well-organized and self-reliant. "A Ministry of Defense must be created to co-ordinate our defense services and a Ministry of Supply to ensure the prompt and orderly supply of their requirements. . . ."

Reject Compulsion

"We must organize our man-power, but we unhesitatingly reject compulsion which is equally unnecessary for the armed forces, for passive defense and for industry."

The manifesto continued with a demand for the national control and ownership of key industries and services under a national plan based on socialist principles, saying, "Our proposals for national control and organization of finance, of food production, of foreign trade, of coal and power, of transport, and of arms manufacture, have now become measures of national strength and national defense which are immediately and vitally necessary."

There, in Duff-Cooper's and in Labor's attitude, you have the two main angles to the problem of national organization in Great Britain. Both agree that something must be done, but one holds to compulsory and the other to voluntary means of doing it.

There also might be epitomized the latent Fascist and the Socialist viewpoints. Both imply ultimate compulsion, the former beginning with man-power and the latter with capital. Great Britain is already so far advanced in matters of state control that a transition either way would come easily enough. However, so strongly patterned are the class distinctions and so firmly entrenched are the governing classes that the tendency would be more likely toward the Fascist than toward the Socialist developments of Democracy.

Anthony Eden's Stand

Between these extremes Anthony Eden is the only politician who suggests that democracy may be a vital coherent force. He lines up on the side of the volunteers, and were he the leader, which he might well be soon, the nation would likely follow him in the realization of his ideal. His speech on The Address as reported in The Times is worth quoting at some length.

"Democracy, as we understand it," said Mr. Eden, "had to meet a new challenge in every field. It had to be met in the commerce and the conditions of life no less than in foreign policy and armaments. He believed we were still far from appreciating the strength of that challenge. He did not take the view that if we were to meet this we must forego our liberties; but we must achieve an enormous voluntary effort comparable in scope and intensity with what other nations were able to do by compulsory means.

"This would call for self-surrender by every citizen. It would certainly call from the wealthier classes for some measure of sacrifice in their present standard of life. It would call for a reorganization and, above all, a speeding up in the working of the democratic machine. The time factor was all important in the modern world, and the democracies, by comparison, were painfully slow. It would mean, in short, something in the nature of a revolution of our national life. It could be done. No effort of which any other was capable was beyond the forces of our own people. Unless such an effort was made there was no future for the British people and the things for which they stood in this world except a progressive weakening of their authority, a slow slithering down the slope. Britain was a first-class power or nothing. . . .

"Hatred of war was good, sane, healthy, but fear of war was not so good, for fear of war paralyzed the will and no policy that made an appeal to fear could be a policy that this country should follow.

Train Every Citizen

"He could not see any great value in a voluntary register which conceivably might add to rather than decrease the confusion at the outbreak of hostilities. He would go farther than a register and would like to see every citizen in this country given the opportunity of some training in one or other of our vital defense services.

"How could the true national service be realized and the greatest voluntary effort be given by the nation unless it was based on real unity; unless it was the outcome of a real demand from all sections of the people and made on behalf of an England which was free and united, an England of equal opportunity for all regardless of class or creed, an England in which comradeship was the spirit of the nation, an England in which men refused to rest content while poverty continued to be the lot of many . . ."

This was not only good oratory but good reasoning, the full weight of which has yet to be appreciated by the extremists.

The only comic relief to current debates comes occasionally from the strangers' Gallery in the House of Commons. Every now and then someone shouts: "Social Credit is the only remedy," and is ejected. As one member put it, "Maybe his suggestion is about the best we have heard here."

Loblaw's Sales, Profits Increase in Year to Date

Sales of Loblaw Groceterias Co. for the 20 weeks ended Oct. 15, 1938, were up $573,066, or 7.55% over a similar period in 1937, while profits increased $3,835, or 1.27%.

In the four weeks ended Oct. 15, sales increased $55,215, or 3.36%, and profits were up $854, or 1.17%.

Statement of sales and profits follow:

Sales and Profits

Four Weeks Ended Oct. 15:			
Sales	1,700,112	1,664,897	3.36
Profits	74,043	72,189	1.17
Twenty Weeks Ended Oct. 15:			
Sales	8,161,576	7,588,510	7.55
Profits	304,748	300,913	1.27

Inter City Baking Co. Increases Stock Payment

From Our Own Correspondent

MONTREAL.—Directors of Inter City Baking Co. have declared a dividend of $1.75 a share on the common stock, payable December 10 to shareholders of record Dec. 1.

This declaration is described as a "final dividend for the fiscal year ended January 31, 1939." The payment brings the year's total disbursements to $3 a share. This contrasts with $2 a share paid last year.

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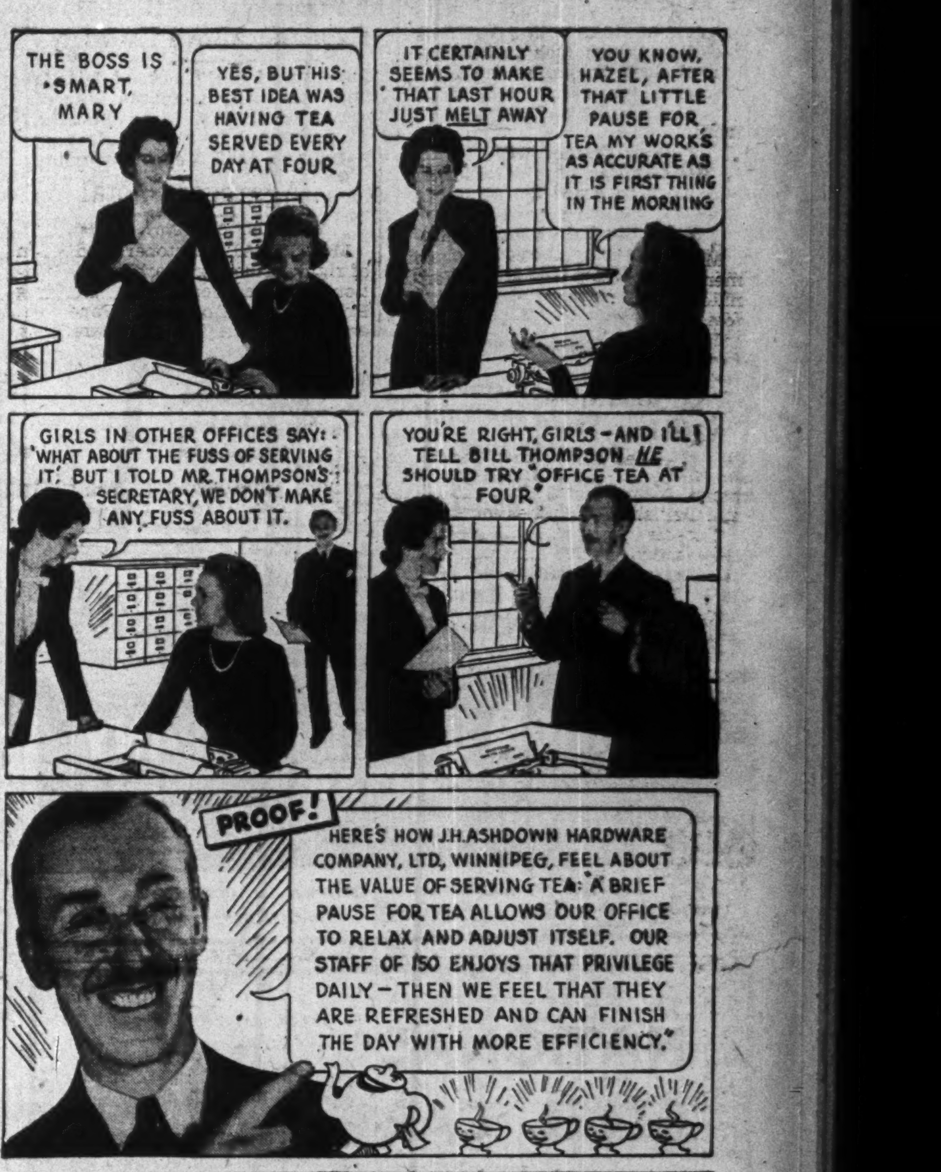

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Construction

Chassis for Dwellings

Lower Costs, Better Buildings Result From Use of Welded Frame Units

Evolution of an improved and economical type of standardized steel frame units for construction of both single dwellings and apartment houses, largely through use of arc welding in shop production, is reported in a prize winning paper submitted to the James F. Lincoln Arc Welding Foundation of Cleveland.

Substantial improvement of structural standards, simplified field construction, lower maintenance cost of completed dwelling, and building costs that are little different and often lower than for ordinary construction, are among the advantages claimed for the system. The report was submitted by S. Fraser McIntosh, vice-president of Insulated Steelbilt Structures Inc. of Amsterdam, N.Y. It was awarded first prize in the structural house class in the $200,000 research award programme sponsored by the Foundation.

The report is of particular interest to Canada because the factor of unit cost, both in regard to fabrication and erection, has been partly responsible for the limited use of steel frame and other pre-fabrication methods in this country. Arc welded steel frame units were used to some extent in the pre-fabricated house building experiment by the Pigott Construction Co. at Hamilton several years ago, but this is virtually the only example of this type of construction in Canada. The cost control and high standard of construction claimed for the McIntosh method make it potentially adaptable to Canadian conditions.

Valuable for Apartments

The system is deemed most valuable in regard to apartment house construction, but is also efficient in erection of single houses. The report gives details on two houses built by the welded frame method, at costs less than 10% in excess of prices received for comparable wooden frame buildings. At the same time, it is pointed out that:

"No cost comparison between various steel frames can be made without considering what has to be done after the steel is erected to take care of the enclosing materials and other things such as installation of door bucks, grounds for plastering, fastening for wood trim, and nailing strips for finish floors.

"All other frames with which we are familiar require a lot of field work to brace the structure temporarily during erection. The frame described does not require temporary bracing, the connections keeping the frame true and plumb. Also furnished as part of the frame proper are all necessary requirements for fastening of windows and doors, flooring, plaster grounds, interior trim, insulation, etc."

Big Field for System

Noting the increasing demand for economical housing of low wage earners in multiple dwellings, the report sees in apartment house construction a large field for single frame units, arc welded in shop and in the field by the McIntosh method. Mentioned in the report is a four-story apartment house in New Jersey built by the McIntosh plan, at a net saving of $6,300 in comparison with similar units of old type construction.

It is emphasized that the fireproof apartment not only cost less than a non-fireproof job, but was an insulated building requiring 20% less heating equipment. The cost of floor construction under the new method is somewhat higher than regular wood-type construction (64 cents as compared with 48 cents), but walls erected by the McIntosh system cost only 91 cents a square foot, compared with $1.19 for an old type wall with no fireproofing features. The figure for the new type wall includes cost of steel, face brick, insulation, lath and plaster.

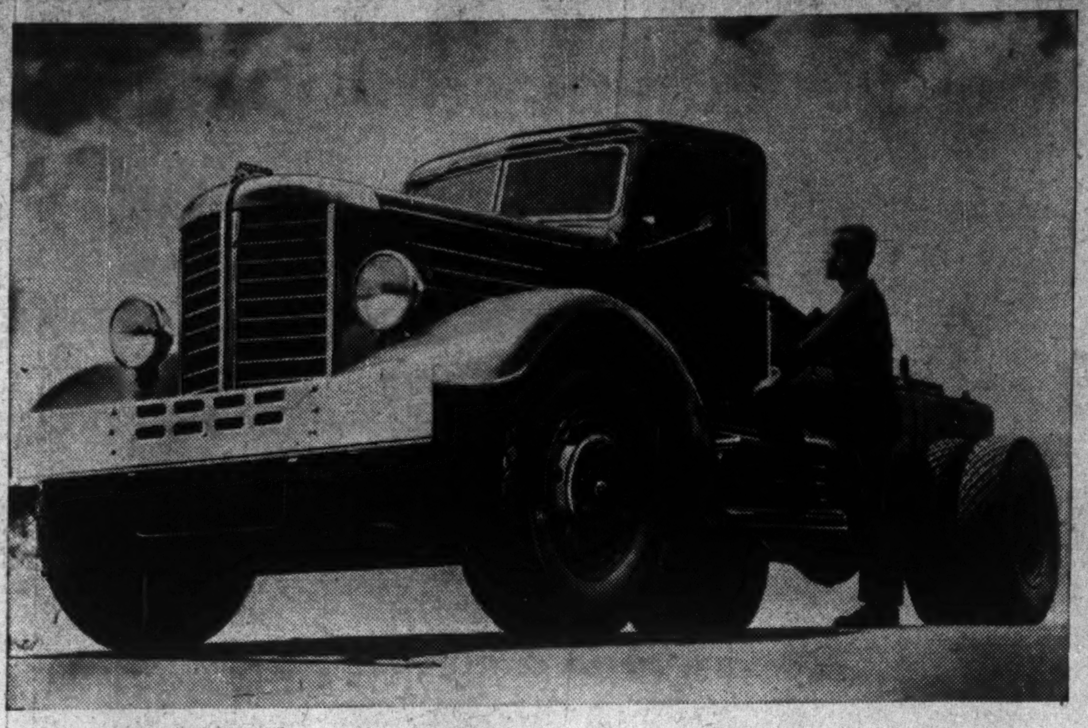
Use of this type of steel frame in apartment house construction eliminates shrinkage of lumber, it is claimed, and allows use of manufactured plaster board instead of lath and plaster.

Among the general advantages claimed for the system are:

Non-shrinkage of structural members and elimination of plaster cracks.
Ease of fastening materials to frame.
Simplicity of design.
Construction proof against rot and vermin.
Standard building materials can be used.
Simplifies installation of plumbing, heating, and electric equipment.
Rapid construction, with maximum of shop work and minimum of field welding and other work.
Adaptability to any style architecture.
Low shop equipment cost.

Thousand Island Bridge Revenue Above Estimates

Revenue of the Thousand Islands Bridge Authority from the time of opening on August 18 to Nov. 19, 1938, amounted to $109,290, leaving a surplus of $91,286 after deducting the operating expenses. Traffic carried during the period aggregated 86,068 passenger cars, 155 trucks and 362 passenger car trailers. Previous estimates have been that annual revenue would be about $198,000



FOR HEAVY WORK

This is one of the four new super heavy duty models introduced by Federal for 1939. These big jobs ranging from six to eight tons capacity feature an unusually massive and attractive front end appearance.

Construction World

Mud Houses

Up to now, the phrase "mud houses" has always suggested the primitive standards of the dim, distant past, or of present peoples in remote parts of the world. But the future may see Canadians living in mud dwellings accepted as good standards of housing for those of low or modest incomes.

A new type of brick developed by Canadian Bitumuls Ltd. combines mud with asphalt emulsion, the resultant mixture being dried in the sun. Said to have proved completely weather resisting during a two-year test in Toronto, the bricks are rated as fireproof and are regarded as an economical material for use in dwellings of moderate cost.

* * *

Large Scale Housing

Although in effect for some months, Part II of the new National Housing Act has yet to be implemented by initiation of actual low rental housing projects. Several preliminary developments have taken place, however, and Government authorities at Ottawa are confident that undertakings to provide low rent accommodation for small wage earners will be under way by next spring or early summer. The Act provides for cut rate Government loans, up to an aggregate of $30 millions, to limited dividend corporations or local housing authorities for erection of such developments.

In Montreal, Toronto, Winnipeg, Edmonton and Vancouver, definite schemes have been formulated and negotiated are already under way in several cases with provincial and federal officials. With the exception of Winnipeg, the plans are sponsored by private interests ready to operate as limited dividend corporations.

* * *

Obstacles to Plans

The chief obstacle to the plans so far is the necessity of getting provincial legislation and co-operation, to aid in financing and to permit municipalities to participate in housing schemes. Another snag is the stipulation in the Act that municipal taxation on low rental housing projects must be limited to 1% of construction costs, or less if necessary. This requirement not only requires enabling legislation, but has caused hesitancy among municipal officials, particularly in Toronto.

The objection has also arisen that without substantial provincial and municipal contribution to financing, or greater assistance from Ottawa, the rentals that must be charged to meet all charges will be above the reach of the low income families the Act is designed to help. In all four cities, the rent estimates range from $15 or more to $25 a month, which pre-supposes tenants earning from $60 to $125 a month. This clashes with the recent official report that 35% of the employed men in Ontario earn less than $14 a week.

In Toronto and Vancouver, the plans under consideration call for single house developments, and total outlays of $600,000 and $1.2 million respectively. In Montreal and Winnipeg, the plan calls for multiple dwelling units.

* * *

Tax Exemptions

More active progress has been made in regard to Part III of the new Housing Act, providing in effect for a Dominion subsidy to permit graduated tax exemptions on new dwellings. The compensation to municipalities for tax remissions is effective on new houses costing $4,000 or less and built for owner-occupancy before the end of 1940, on lots provided by the municipality at a price of not over $50. The tax exemptions allowed are 100% the first year, 50% the second year, 25% the third year after the house is built.

The Financial Post is advised officially that "many communities" have passed or are in process or passing by-laws making Part III effective in their centres. Recent additions to the list were Hanover and Hespeler, Ont. Coupled with the provision in Part I of the Act, permitting 90% mortgage loans on houses costing $2,500 or less, there has been a great stimulus given by Part III to low cost house construction.

Considerable interest has been promoted in building of low cost dwellings for owner occupancy in the Border Cities area of Ontario. Civic authorities of Windsor, Riverside and Sandwich East have undertaken to erect demonstration houses costing in the neighborhood of $2,500, on lots donated or provided at a nominal cost.

* * *

Apartment, New Style

Construction of a type of apartment house development that has been a noticeable feature of operations under the Federal Housing Administration in the United States, has been undertaken by sponsors of a $350,000 project in the Town of Hampstead, near Montreal. A total of 80 apartments will be contained in five separate structures—three-story central units, in the centre and each end, and between them two three-story units with two-story projections. The plan allows for ample light and air and considerable landscaping.

New Building

Dept. of National Defence has initiated plans for construction of $50,000 hangar at airport at St. Hubert, near Montreal, for Squadron No. 118 of the non-permanent air force.

H. J. Heinz Co., Leamington, Ont., contemplate an expansion programme involving outlay of $100,000 and have asked for fixed assessment on its plant in return for pledge that it will be completed within five years.

Farley & Cassels, engineers, are surveying site of old Quebec Bank Building in Ottawa as preliminary for possible erection of 10-story office building to cost about $500,000. Identity of interests backing the project has not been made public.

R.C.A. Victor Co. has awarded contract for addition to factory at Montreal.

Queen's University, Kingston, is considering a construction programme involving expenditure of over $100,000, chiefly for extensions of the library and administration buildings.

Hanson Theatre Corp., Montreal, has had plans prepared and will likely award contract shortly for $200,000 theatre project at St. Catharines, Ont.

St. Mathias Anglican Church, Ottawa, is having plans prepared for $50,000 church structure.

Dept. of Public Works is studying tenders for construction of sidewalks, roadways, promenade, terrace and other features surrounding the National War Memorial recently completed on Connaught Place, Ottawa. Lowest tender is that of A. W. Robertson Ltd., Toronto, at $188,000.

Maple Leaf Milling Co. contemplates replacement of the $250,000 mill recently destroyed by fire at Kenora, Ont.

Imperial Tobacco Co. has started work on a $50,000 programme of additions to its plant and warehouse at Leamington, Ont.

Canada-Pacific Exhibition is planning construction next year of $150,000 livestock building and $50,000 educational building, with the aid of federal, provincial and municipal grants.

Societe Nationale de Fiducie, Montreal, has work under way on its new building on St. James Street, involving outlay of $153,000.

Among projects reported by Engineering & Contract Record:

Shaare Zion Congregation, Montreal, is planning a campaign to raise funds for $250,000 synagogue in Notre Dame de Grace. The proposed building would include swimming pools, gymnasium, classrooms and tennis courts.

City of Vancouver will seek voters' approval for plan to get a $200,000 loan under the Municipal Improvements Assistance Act to help finance a market building.

City of Victoria is considering plan to construct civic forum, financed by $150,000 loan under the Municipal Improvements Assistance Act.

Canadian Cottons Ltd. has awarded contract for erection of $30,000 office building at Cornwall.

Asbestos Corp., Thetford Mines, Que., has awarded to **Dominion Bridge Co.** contract for part of structural steel work in construction of $400,000 grinding mill.

British-American Oil Co. is checking tenders for construction of its proposed refinery plant at Calgary, estimated to cost $1.2 million.

Brokerage Changes

According to information released by the Ontario Securities Commission, registration of Alexander Watt & Co., Kitchener, as a general broker, was restored on Nov. 25, 1938. Plaxton Cherry & Co., 330 Bay St., Toronto, was granted registration as a general broker on the same date.

Trinity Bldg. Losses Lower

Operations Improve in Year Ended Sept. 30—Rental Better

A net loss of $133 was incurred by Trinity Building Ltd. for the year ended Sept. 30, 1938, as compared with a net loss of $150 in 1937.

Profit before depreciation in 1938 totalled $1,990, as compared with $1,973 in the preceding year. Deficit account was thereby increased to $5,980 at Sept. 30, 1938.

The building is in good condition, according to the report, and at the present time there are no vacancies. It is expected that gross rentals for the current year will be in excess of the past year.

Bondholders have been asked to waive payment of interest for a further two-year period and consent of the necessary 80% is expected. If the property has not been sold at the end of that time it is hoped that regular payments of some amount may be made to bondholders.

Income and Deficiency Account
Years Ended Sept. 30

	1938 $	1937 $
Rental revenue	14,910	14,640
Less: Oper. exps.	5,672	5,437
Taxes	4,093	3,481
Management exps.	1,651	1,957
First mtge. int.	1,504	1,792
Profit before deprec.	1,990	1,973
Less: Depreciation	*2,123	*2,123
Net loss	133	150
Add: Prev. deficit	5,847	7,347
Less: Compromise	......	1,650
Deficit	5,980	5,847

*Depreciation is charged at the rate of 2½% on buildings and 10% on equipment. In 1936, 1937 and 1938, the company deferred 50% of the regular charge, to be deducted in subsequent years.

Winnipeg, Man.—Report of the Goldenberg Commission in the form that it will be submitted to the Legislature is not likely to be ready before January 15.

Seal-O-Sac to Make Wentz Paper Containers

P. M. Yeates, president of Seal-O-Sac (Canada) Ltd., announces that the company has acquired exclusive patent licenses for the manufacture of Wentz paper containers in Canada and Great Britain. These containers are adopted for distribution of milk, oil and other liquids. It is expected that the company will be in production on these containers by Jan. 1, 1939.

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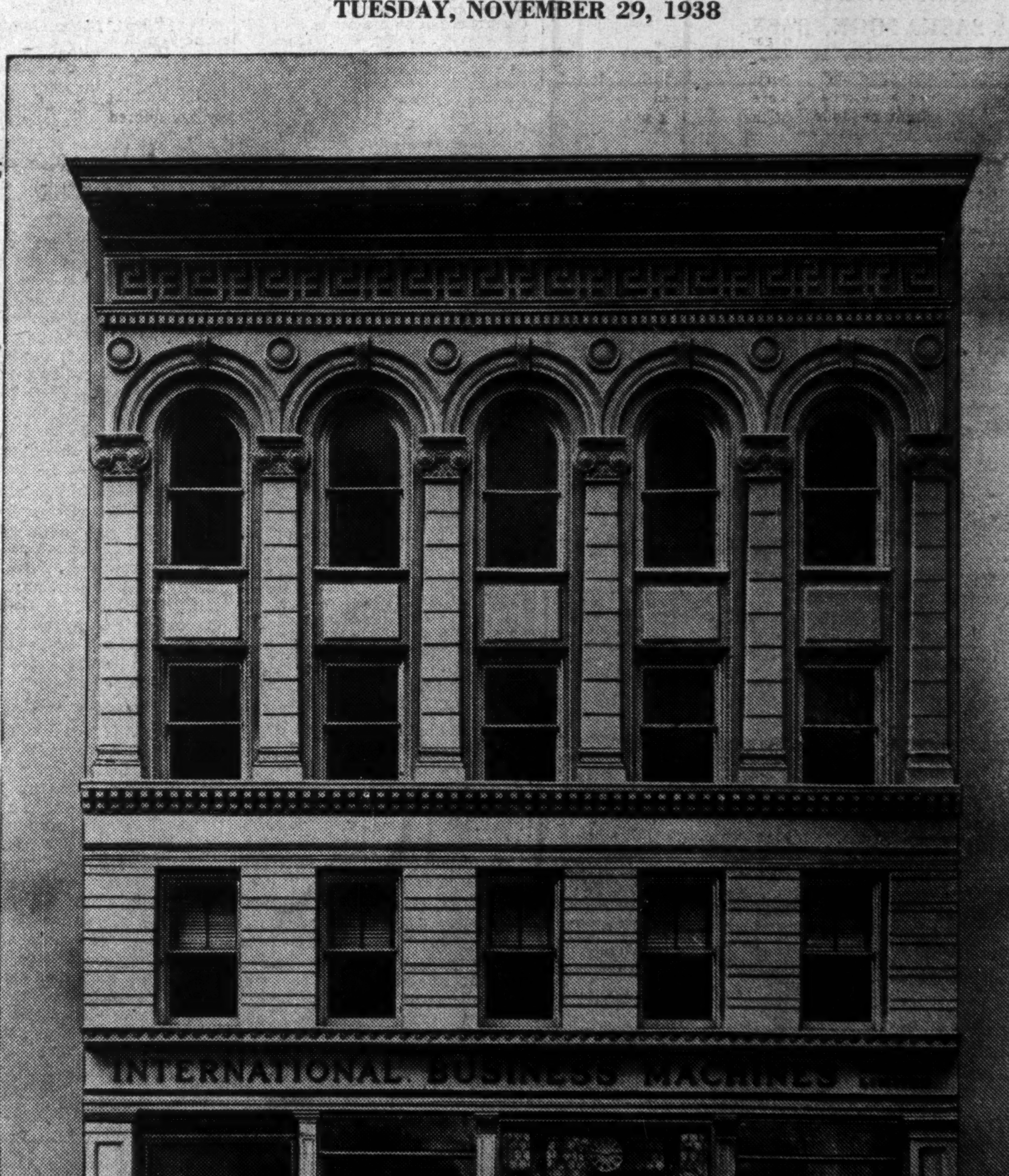
TUESDAY, NOVEMBER 29, 1938



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Canada's Militia Masquerade

Now Unpopular, Obsolete, it Needs Overhauling for National Service

Lieut.-Col. Louis Keene who rose from the ranks during the war and has since served actively in the militia, in the accompanying article, urges the complete reorganization of Canada's defense forces which he brands as not only antiquated but unpopular. On the foundation of Canadian defense he would build a national service corps.

By LT.-COL. LOUIS KEENE

A few Sundays ago Toronto saw four parades, all in the trappings of tradition. The Ancient Order of Foresters were there in their picturesque regalia, The Queen's Own in their last century rifle green uniforms, the Grenadiers in their guard's uniforms, the Toronto Scottish in their hodden grey kilts.

People on the street, if they thought at all, probably felt quite secure in the knowledge that the brave men of Canada's militia would meet the foe without flinching.

Equipped for action (as these men will be) in ill-fitting uniforms, obsolete equipment and weapons, this whole force, despite their bravery, could be destroyed by one section of two cars of trained, armored fighting vehicles.

Why perpetuate this obsolescent Canadian militia?

Antiquated, Unpopular

If my judgment is correct, it has little or no public support. It is antiquated, ill-equipped, unpopular. It has few if any links with any other part of Canadian life.

A few weeks ago competent authorities stated that we are unable to protect ourselves on land, sea, or in the air. Some steps are now being taken to remedy this situation.

Following staff reorganization dating back to 1936, efforts have been made to remove some of the glaring weaknesses of our antiquated system. As yet the rank and file of the militia have felt little of its impact. And nothing has been done to fit the militia for the larger responsibilities of national and community life.

Yet Canada spends from $15 to $20 millions annually on its militia. It boasts many fine traditions, much able, conscientious personnel.

Is it not time we looked closely at some of the criticisms which have been levelled at it; time we took a national stocktaking to see what might be done to link this branch of public service with the larger responsibilities of individual and national well being?

In other countries, soldiers are used to aid the community. A few years ago in Sweden there was a big forest fire and 10,000 Swedish troops were turned out to aid in putting out the flames.

Even the German army is used for helpful community work. This summer they were turned out to help the farmers fight a plague of caterpillars.

National Guards in the United States are called out to restore order and help in times of disaster. In France, service in a fire brigade is counted as service—army service.

Overall Army

Britain now has her "Overall" Army and her Women's Air Guard. She is paving the way for volunteer service which can be used for achievement in peace as well as strength in war. Why should Canada not have her own National Service Corps?

It could be of great peace-time service.

In northern communities it could be trained in fire protection to help preserve our timber wealth. Other communities have equally important public service jobs to be done. Jobs that would appeal to men and women with a sense of good citizenship. Equally important is the job such a National Service Corps could do to train the individual; to build up his physique, his morale, his technical skill. Yet today the Canadian militia is ignored, treated with indifference.

Why is this so?

For one thing our militia is antiquated.

It is an out-of-date carryover from the period of the Crimean War. It was formed at the time when England was so short of men that she had to withdraw all her troops from Canada. At that time our young country was told that it would have to look after its own defense. Immediately and enthusiastically the militia was formed. It was new and up to date, smart, popular and efficient.

As the peaceful years rolled by the threat of foreign foes ceased to worry us. The militia settled down to being a responsible part of Canadian life. No one of importance missed being in some way connected with their local militia unit. There was some remarkably fine shooting done years ago by the old militia. Even rural regiments had their fine shots who went to Bisley.

Pushed Aside in 1914

The great opportunity which came in practically every military force in the world was, of course, the Great War. But in Canada the political situation, plus jealousy and muddling, pushed the militia to one side. A new setup was arranged.

Thousands of Canadians who fought in the war had nothing to do with the organized militia in any form either before, during or after the war. Great opportunities to build a desirable tradition were lost. When the war was over, few of the returning soldiers were interested in the militia.

The militia never got another chance to get back into its right position in the community. After the war was over, General Sir Arthur Currie, at a famous reunion dinner, asked returned officers to look after the militia. This meant nothing to many of them. They didn't bother.

At the time of the Coronation, instead of a smart, single unit being sent over to represent the whole of Canada, a miscellaneous, conglomerate group was formed. It was one of the few units which was not youthful and dressed up for this gala occasion. Without the Royal Canadian Mounted Police the Canadian contingent would have made a very poor showing at the Coronation.

The crowning blow of all was at the time of the international crisis when war seemed near—a matter of hours—and patriotic citizens rushed to military district headquarters and offered to raise battalions. The Canadian Corps offered to furnish a division of troops. The militia was not even considered, was again given a back seat.

The militia is ill-equipped. Service uniforms are old, badly fitted. Web equipment is broken. The men have no boots. Generally a great lack of imagination has been shown.

Men do not like getting out of their own civilian clothes and putting on old uniforms.

Recently at Camp Borden we saw rifles tied with handkerchiefs to indicate anti-tank guns. Even the new anti-aircraft guns were on mounts dated 1918. At the last camp at Niagara-on-the-Lake, the airplane operating with us was 16 years old. The small arm ammunition we used at the rifle ranges was dated 1917.

The militia is ignored by most people. It has not the support of the employers of labor. Businessmen do not take it seriously.

Employers must be shown that the discipline and training which men can learn in camp should be of value to them in their business. Today they feel that by letting men go to camp they are doing them a great favor.

As now constituted, the militia has not the support of the workers. It has very little appeal to the imagination of youth who have many other spare-time attractions unknown 30 years ago.

Country Lulled to Sleep

For 20 years we have listened to people condemn the militia, condemn cadet training, so that the whole country has been lulled to sleep.

For years we have been subject to a continual barrage of pacifist literature, the Cry Havocs, the films. We have listened to sob lectures and our papers have been full of the soothing syrup of peace so that we are now fat, coddled, comfortable, unafraid, unarmed, unprepared.

Napoleon said of London: "What a city to sack!" It might well be said now of Canada, what a country to exploit!

When any civilian job has to be done which would prove of military training value, militia are scarcely considered. For example, in building the Toronto-Hamilton highway, at least one bridge had to be blown up. Here would have been a grand opportunity for our militia engineers to have had the chance to try out their training in demolitions, an important part of their war-time activities.

Our militia is never expected to do anything constructive. There is no affiliation with the youth of the country, service clubs or other groups, and there is very little link with veterans. It stands alone. So, instead of being a tremendously vital thing in the community at large, of which the public is proud, it is struggling along with the aid of a few public-spirited officers, N.C.O.'s and men who must devote a great deal of their time to an expensive, unpopular duty.

Complete Overhaul

I suggest that a complete overhaul is necessary.

One alternative is to develop an organization with wider opportunities for constructive work with individuals, with the community, with the nation as a whole—an organization which will be of use for peace as well as war.

The name "militia" is long out of date. It has been abolished by every other country that ever used the term.

"Militia," like the name "Regiment of Foot," came into effect years ago. Both names have long since disappeared from the vocabulary of Anglo-Saxon countries except as historical terms.

The army in England has had a great capacity for improvisation. It has been slower to recognize the necessity for reorganization, yet during the last hundred years two extensive reorganizations have been carried out. The first was by Cardwell 70 years ago. The second was by Haldane 35 years later, following the Boer War.

When Cardwell came into office as Secretary of State for War at the end of 1868 he found the army in a state of obvious unfitness to meet an emergency, yet our reorganization was prior to this.

Haldane reorganized the militia and the volunteers. He converted the former into a special reserve to feed the regular army with drafts in war, and the latter into a territorial force. This was the end of the militia. We should have followed Britain's example and reorganized when we threw out the pill box.

Starting Points

One specific reform Canada should adopt at once from British experience is the appointment of a paid adjutant for each non-permanent militia unit. This should be the starting point for other improvements.

Another starting point in reorganization is new equipment. This must be forthcoming immediately in exchange for pre-war uniforms.

The militia needs tanks, steel helmets, gas masks, new equipment and up-to-date weapons if it is to be anything more than a defense farce.

Almost 90% of the time of the Canadian militia officers is spent trying to get the men to turn out. They are under no obligation to attend. They say they don't like the uniforms, they don't like the puttees, they don't like to wear ill-fitting jackets.

Machine power, not manpower, is the determining condition of success in modern warfare. We, in Canada, haven't a sprinkling of the essential machines, so we get more pre-war uniforms at no cost to the public because they are not issued or paid for by units themselves.

We must know something of the weapons which are to be used and we must have the men who can use these machines. If we had new weapons, an overwhelming interest would immediately be created and we would have no trouble in getting men in the militia. We could pick and choose them, could interest men who are mechanically minded, students and others who are incorporated in all the other armies in the world.

What possible chance have we to train or make use of the skilled worker who must eventually be the soldier if we have nothing to train with?

We cannot possibly expect to enjoy the benefits of civilization, comfort, security, our boasted high standard of living, even our investments and savings, without doing something to protect them. The most dreadful thing now is that preparation for protection takes time. We cannot spring to arms without having something to spring to. Fortunately some steps in this direction are now being taken.

If a highly industrialized nation like Britain decides to re-arm and three years later is far behind because she has had to make all the basic machinery, dies, stamps before production commences, how much more are we in Canada helpless?

Is it not time also for new purposes?

If a policeman's sole job was to shoot murderers he would be looked upon very differently to the way we look on him now. The policeman of today is being continually called on to do helpful, constructive jobs. He is looked upon with respect and confidence.

Why can't the militia be linked up in a movement that will be popular, constructive and useful besides "forming fours" and being "steady on parade?"

Canada's Militia clings to uniforms of other days.

Think what might be done for the individual by a well-rounded-out militia which would take its place in the larger field of community and national service. The physical instruction training programme in itself would be of great help to many of the organizations of youth, Boy Scouts, Sea Scouts, Girl Guides, Service Clubs, Y.M.C.A.'s. This branch of the service could supply physical, swimming and recreational instruction for boy's camps and the leaders in a general fitness campaign. It could and should work more closely with veterans' organizations.

The militia should have a rehabilitation programme to meet, help and guide unemployed youth, the transients who are now drifting across Canada. There must be given the right kind of leadership. Why should it not come from a national service organization of which the nucleus would be the militia?

Training Opportunities

There should be a training programme so that members could have the opportunity of learning some other trades than their own outside of office hours and become artists, mechanics or professional men. In this way we could build for the future by increasing the usefulness and earning power of thousands of citizens.

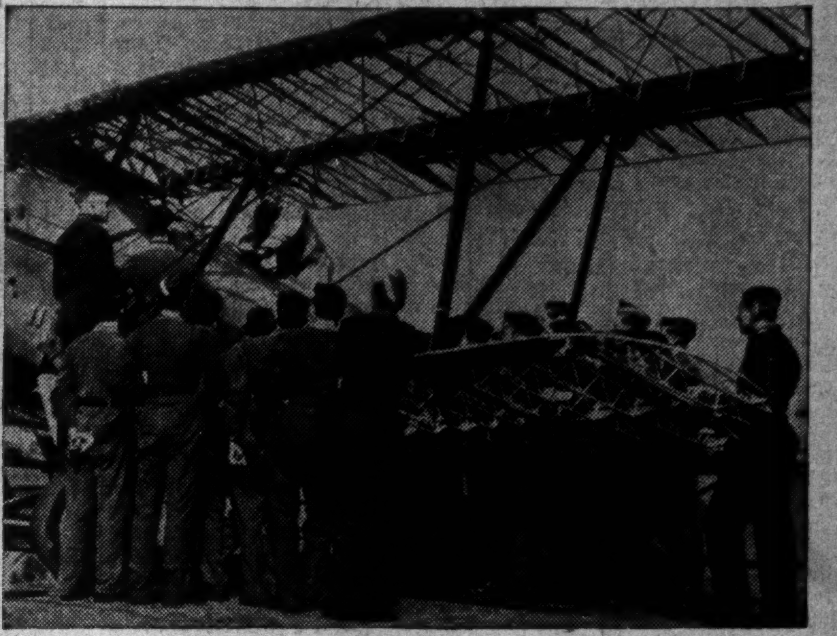
We could give technical opportunities to men and women to learn telephone and telegraph work and other specialized trades, all vital in the life of a nation.

Our armouries are public buildings. Why should they not become centres of community and family life, embracing the activities of all members of the family? They could be used by Boy Scouts, Girl Guides, for all clubs and societies willing to commit themselves and their programme to national service.

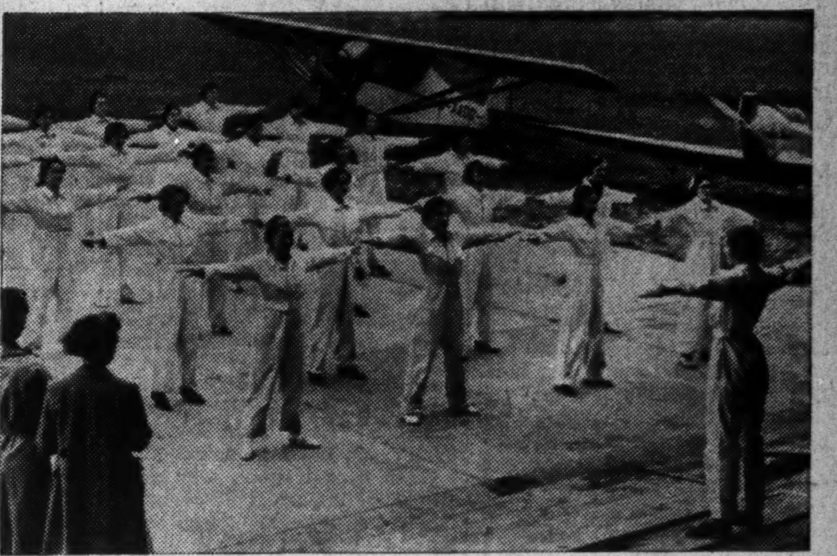
In this way existing barriers and mistrust on the part of the general public would be overcome. The individual would benefit. So would the country and the community.

We cannot go on forever feeling that the youth and future of this country is going to be allowed by circumstances to drift safely down the middle of the stream. Responsibility must be taken and the right kind of leadership given. If not, we will suffer as others in the past have suffered when they became lazy and it became too much trouble to look after national affairs.

My plea is that there is no better starting point in such a campaign than a Canadian National Service Corps. To create such a body we should first overhaul the Canadian Militia.



Join the R. A. F. and learn a trade. British recruits see how a plane is made.



Britain enrolls women. Civil air guard under training.

Canada Builds National Air Service

Trans-Canada Air Lines is Evolving Into Full Fledged Transport Service

By KENNETH R. WILSON
Staff Writer, The Financial Post

After starting from scratch on July 6, 1937, Canada's coast-to-coast air service is coming into shape.

In the past year public interest has been alternately high and low. High points were enthusiasms inspired by ill-advised forecasts of early start of operations. Low points were disappointments when these forecasts of impossible objectives failed to come through and the recent tragic crash in the West.

Heartaches were caused by Ottawa's decision to make a clean break and build Trans-Canada Air Lines from the ground up—literally and figuratively—instead of requisitioning the resources, personnel and experience of existing commercial organizations. That's an old story now. The important thing to Canadian business is to know what sort of a job this publicly-owned body has done and, more significant, what it is going to do and when.

For the degree of soundness so far achieved in the organization of personnel and operating system, credit must go to Hon. C. D. Howe, Minister of Transport, for his shrewdness in picking a first-class man to do this particular type of work.

Choice of Executives

Some people have criticized Mr. Howe for jumping across the line and hiring Philip G. Johnson as T. C. A.'s chief operating executive. Present results and prospects indicate that this was a practical step.

Phil. Johnson's connection with the aviation business goes back to 1916. That year he was learning to be an engineer in the University of Washington. The Boeing Aircraft Co. sent in a call for engineers to which Johnson and a few others responded. It all came about by accident but a few years later Johnson found himself pushed pretty well to the top of the heap as president of the big, sprawling United Aircraft and Transport Co.

Everything went well until 1934 when the U. S. Government dealt a knock-out blow by cancelling all commercial air-mail contracts. This split United Aircraft into three separate units—a manufacturing plant in the East; another in the West, and a third separate unit for United Air Lines, the big trans-continental system still running under that name.

Mr. Johnson found his aviation empire had collapsed under his feet—the way a three-way stool might flop if each leg dropped out. As a result, he returned to his home in Seattle and associated himself with the Kenworth Motor Truck Corporation, a motor vehicle manufacturing company which specialized in custom built buses and trucks, either gasoline or Diesel powered.

A Job To Do

This is where Mr. Howe found him one summer day in 1937. Canada's Minister of Transport offered no contract but he held out a lure which Philip Johnson could not resist—the chance to build from scratch a top-flight Canadian air service which would be at least the equal of anything the U. S. could boast and which, furthermore, would pay its way.

That's the big job that's been going on quietly behind the scenes for the past 15 months. The job is not quite finished yet but will be by 1939. T. C. A. is already operating regular mail and express service between Vancouver and Winnipeg. On Oct. 17, express services were inaugurated between Toronto, Montreal, Ottawa and Winnipeg.

Associated with Mr. Johnson as assistant to the vice-president has been D. R. MacLaren, formerly Pacific coast manager of Canadian Airways Ltd. He has provided Canadian representation and knowledge of Canadian conditions to the T. C. A. executive staff.

Trans-Canada has spent $3.5 millions on equipment. Of this $1.6 million has gone for planes and the balance for hangars, radio and other types of equipment.

On top of this The Financial Post estimates a further $9 millions has been spent by local communities, and by the Federal Government through its relief works project plan, to create this coast-to-coast system.

Pride of the service is its fleet of ten big Lockheed 14's, the last two of which were delivered early in September. Eventually it is hoped to replace the entire Trans-Canada fleet with this type of machine.

These planes and the few smaller ones already in use have already operated over a million and a half miles. This mileage has been piled up partly by regular operations but mainly by training schedules. So that both personnel and equipment have been put through every type of test and circumstance before full regular service, including passenger transport, is begun.

Actually these planes have been carrying out a regular test schedule since early this year between Vancouver and Winnipeg although a commercially available mail and express service was inaugurated two months ago, following completion of the Lethbridge field for the landing of the big 14's. Passenger service on this Vancouver-Winnipeg run will be in full swing soon when the necessary work has been done to establish beyond any doubt the reliability of radio range-finding equipment through the mountains.

Service to eastern Canada will be gradually extended as quickly as safe, economical operation can be introduced.

Air express service is available to all points between Montreal and Vancouver, and experimental air mail transport between Montreal and Winnipeg started Dec. 1.

Hindered by Nature

It has been a slow business, however. Not only do politics play a big part in hindering or helping local developments but every now and then nature pulls a queer one.

Take, for instance, Kapuskasing. Plans were all laid to build an air field there as soon as the spring break-up came early this year. But instead the rains came. There have been 20 inches of rain at Kapuskasing this year which has greatly hindered the building of an air field.

What is this service going to cost? There are two answers to this.

First, what it will cost you and me when we use the service?

Second, what it will cost Canadian taxpayers?

Let's answer the second question first.

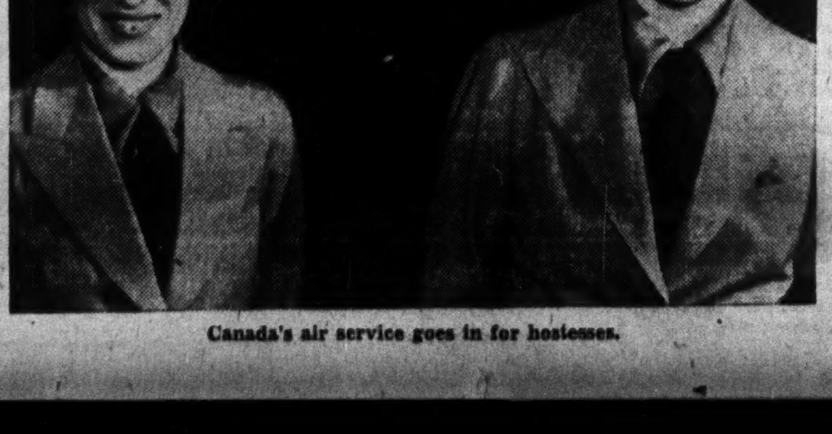
In its first year of operation Trans-Canada Air Lines cost the taxpayers over $110,000 by way of a deficit. For 1938, the estimated deficit (practically no revenue has been coming in) is $830,000. Vice-president Johnson believes the actual figures will be somewhat less by the time the final results for the year are added up.

Beyond that, the promise is that within a year (at least) the whole system should be completely self-sustaining with the aid of the 60-cents-per-mile air mail compensation.

Comparison of this mail compensation with that paid by other countries is difficult. The Canadian rate includes any

(Continued on page 15)

Air express service operates between Vancouver and Montreal.



Canada's air service goes in for hostesses.

Market Leaders — No. 6

Operations Widened, Holes Plugged, Dosco Looks Ahead

Maritimes Industry Drives Toward The Realization of First Hopes

As the sixth in the series of Market Leaders, The Financial Post this week studies the development of Dominion Steel and Coal Corp., the largest industry in the maritime provinces. Dosco has advanced rapidly following the reorganization of the company.

Next week: Building Products Ltd.

By JOHN LANGDON
Eastern Editor, The Financial Post

Dominion Steel & Coal Corp. is the largest individual economic force in the Maritime Provinces of Canada. Its products are well known not only in this country, but in England, Germany, Newfoundland, Australia, New Zealand, China, Japan, West Indies, South America, South Africa and other parts of the world.

The company owns or controls, through stock or lease, some of the most important coal properties on this continent; one of the largest iron ore deposits in the world; iron and steel mills; rail mill; bar and rod mills; electric power plant; steamships, railways; docks and a host of other properties required in the operation of a modern, self-integrated iron and steel business.

Controls an Industrial Empire

Directly or through its affiliated companies Dosco owns 30 coal mines in Nova Scotia having an annual capacity of 7,000,000 tons of bituminous coal.

Blast furnaces and steel plants located at Sydney have a total annual capacity of 400,000 tons of pig iron, 420,000 tons of steel ingots, 375,000 tons of blooms, 150,000 tons of billets, 250,000 tons of rails, 50,000 tons of bars, 95,000 tons of wire rods and 55,000 tons of wire and nails.

In Newfoundland operations centre around the Wabana Mines which contain about one third of the known iron ore available in North America.

The Halifax shipyards are equipped for the building, refitting and repairing of ships and with a first-class dockyard and marine railways.

Operates Own Fleet

Dosco owns two freight-carrying vessels, having a total capacity of 21,200 tons, and 15 ships chartered with a total capacity of 120,000 tons.

In the Ontario Border Cities the company owns a wire mill and a tin plate mill. It also operates a bridge company in the same area.

The company has wire and nail mills at Saint John, N.B.; Windsor, and Toronto, Ont.; a rolling mill in Montreal; a lumber mill at Dalhousie, N.B.; a fence company in Montreal; two railways, one in Nova Scotia and the other in Ontario; and a railway equipment manufacturing company in Trenton, N.S.

Has Had Hectic Career

This is the industrial empire under control of Dominion Steel & Coal Corp. It is an Empire that has provided more than one headache for those interested in its development. The units that now go to make up Dosco have made and lost millions for investors. Yet withal the formation of the company has been a logical development, which now gives promise of developing into the organization conceived nearly 20 years ago.

Dosco is the successor of the ill-fated British Empire Steel Corp., better known to Canadians by its abbreviated name of Besco. Besco in turn was the culmination of a series of smaller mergers which brought together the great steel and coal properties of the Maritimes.

Grew With Confederation

To understand and appreciate the manner in which the future of Dosco is being worked out, it is necessary to go back to the period shortly after Confederation when the modern industrialization of the Maritimes got under way.

In 1872, in the little village of New Glasgow, N.S., two Scots, Fraser and Mackay, built a small forging plant called the Hope Iron Works.

They had as assets about $4,000 in cash, a wealth of hard-headed acumen, skill in their work and vision. They made iron fastenings for sailing ships then being built in the Maritimes. The business grew and prospered. Then it was moved to Trenton, outside of New Glasgow, and called the Nova Scotia Forge Co.

Next came the Nova Scotia Steel Co. formed in 1882. Seven years later in the open hearth furnaces of this company were cast the first steel ingots to be made in Canada.

First of Many Mergers

In the same year the two companies—Nova Scotia Forge Co. and Nova Scotia Steel Co. — were merged with a capital of $1 million.

This was merger No. 1.

The iron ore deposits around New Glasgow were worked successfully and a blast furnace was built at Ferrona, in Pictou County, by the New Glasgow Iron, Coal & Railway Co.

A railway was constructed to connect the plant with the ore deposits and coal mines near Stellarton. Coke ovens also were built.

When the ore supply was gradually exhausted, attention was turned to the vast deposits of iron ore at Bell Island, in Newfoundland, part of which deposit was obtained by the New Glasgow company in 1894.

In order to work the iron deposits on Bell Island, New Glasgow Iron, Coal & Railway Co. was merged with the Nova Scotia Steel Co.

This was merger No. 2.

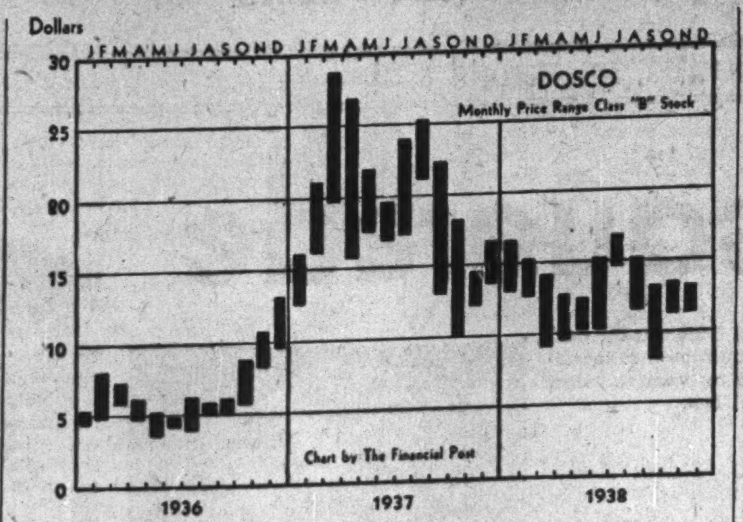
Gave Coal Deposits to Duke

Limitless coal deposits were there for the mining on the Island of Cape Breton. Once they belonged to the Duke of York, brother of George IV, who gave to his Royal brother a lease of all the minerals in the province. The Duke assigned his holdings to his creditors (jewellers mostly), who formed the General Mining Association to exploit the field. The colonists, left out of what was rightfully theirs, protested. The Duke's lease was taken away and the Nova Scotia Government was given control of the deposits.

Then followed a vacillating period of private ownership when the mines were worked with haphazard success. The New England coal market was lost by the abrogation of the Reciprocity Treaty of 1867, and the coal mining industry suffered the same setback as many others which relied largely upon the American market.

Dominion Coal Formed in 1898

In 1898 the Dominion Coal Co. was incorporated, acquiring practically all the rights of the company then existing and a 99-year lease of the coal along the eastern coast of Cape Breton and in the underseas deposits.



The class B shares of Dominion Steel & Coal, listed on Toronto and Montreal exchanges, are among the leaders in trading activity. That they respond to an active stock market is illustrated by movements in 1937 when the present shares reached an all-time high.

Six years later, a new company, Dominion Iron & Steel, bought a large section of the coal company's ore deposits. This company soon established itself at Sydney and merged in 1909 with Dominion Coal Co. under the name of the Dominion Steel Corp.

This was merger No. 3.

Between this organization and the Nova Scotia Steel Co. at Sydney Mines was much competition and interference, due mostly to latter company having to take its coal from a deposit on the far side of the Dominion Steel Co.'s leaseholds and being forced to bring it through Dominion's holdings.

Besco—the Super-merger

With the conflict of interests, the setting was ripe for a super-merger. And out of this tangled and highly complex maze was born in 1920 the British Empire Steel Corp.

This was merger No. 4. Back of it were such well-known figures as Colonel Grant Morden, Roy M. Wolvin and others.

No doubt the post-war depression seriously affected the ability of Besco to put the properties on a sound and paying basis. But the real trouble was in a capitalization far greater than warranted by the earning power of the merged properties.

Holt and Gundy Take Hand

Efforts made to keep the enterprise afloat only deferred the inevitable reckoning and in the early part of 1928 Sir Herbert Holt, J. H. Gundy and their associates became interested in the property through acquisition of R. M. Wolvin's holdings.

Dominion Steel & Coal Corp. was organized the same year as the first step in reorganizing Besco.

Dosco Takes Over Remains

Early in 1930 a reorganization was carried out whereby the British Empire Steel Corp., Dominion Steel Corp. and Dominion Iron & Steel Co. ceased to exist, their assets and undertakings being acquired by Dosco. The wholly owned subsidiaries of the three companies: Cumberland Railway & Coal, Sydney Lumber, James Pender & Co., Dominion Shipping Co., Halifax Shipyards, and Peck Rolling Mills continued as subsidiaries of Dosco.

The two companies controlled through common stock ownership, Nova Scotia Steel & Coal and Dominion Coal, were kept intact; Besco's holdings being transferred to Dosco.

In effecting this reorganization, the new holding company was rid of certain unproductive assets and what may have turned out to be liabilities, for only a short time later Nova Scotia Steel & Coal was forced into bankruptcy through failure to pay bond interest. Dominion Coal experienced temporary difficulties but has since restored its earning power to a level permitting payment of dividends on capital.

Squeeze Out "Water"

There was a severe writing down of capital values and securities as a result of the reorganization. Assets which appeared on Besco's balance sheet at nearly $160,000,000 appeared on Dosco's balance sheet at about one quarter of that amount.

With the reorganization accomplished, the real work of putting this great Maritime enterprise on its feet was begun. The management was confronted with three problems: the integration of operations, the building up of markets, and the strengthening of finances.

Spent Money on Plant

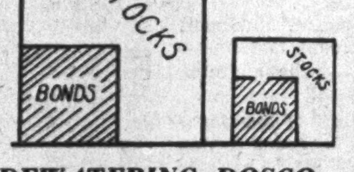
The depression years did not permit of any large capital expenditures on plant improvements or replacements. Since then the company has spent large sums of money on equipment and improvements which have tended to increase productive capacity, improve quality of products and make for lower costs.

As an operating company, Dosco has been able to record a marked betterment in its record.

Of the several important developments affecting the position of the company in the last few years one has to do with operations, namely, the plan effected for the reorganization of Nova Scotia Steel & Coal Co. When this company failed to pay bond interest, control passed from Dosco to the receivers.

It was highly important to Dosco that it regain control, for with it went control of the valuable iron ore deposits on Bell Island. The rest of the Nova Scotia property was not particularly valuable, but the iron ore deposits were essential to the future welfare of Dosco.

The final arrangement made was satisfactory to all parties and particularly to Dosco. Through an exchange of stock for the junior bonds and preferred stock and a lease of the iron ore properties. Dosco again came into control. The lease requires an annual payment of $225,000, which will not only take care of interest on Nova Scotia Steel's bonds but will eventually bring about their redemption through the sinking fund. This annual charge is well within the capacity of the iron ore mines to pay, so that, in effect, Dosco secures this property eventually without any additional financial burden.



DEWATERING DOSCO

In 1928 the former British Empire Steel Corp. had total capital invested of $126.2 millions, of which $36.1 millions was in bonds and $90.2 millions in stock. The present Dominion Steel & Coal Corp. in 1938 had total capital of $46.9 millions, made up of $15.9 millions of bonds and $31 millions in stock.

Take Steps to Widen Market

The Dosco management has been particularly active in widening markets for the company's products. In past years most of its output was marketed within the country, the steel mill being largely dependent upon the Canadian railways for rail orders. While the latter business is still important, the company has developed valuable outlets in South Africa, England and elsewhere. A contract with English importers calls for a substantial share of the Sydney plant's output and still has better than two years to run.

Obviously the domestic market is all-important to Dosco and in order to strengthen its position in this regard the management has made several moves which should eventually prove highly profitable.

Make Shrewd Move

Canada's principal market for iron and steel lies in the central region. To that end the company bought into established industries in Ontario which not only give it an immediate market, but assure that in future the company will secure its share of the sales in that important field.

The first move in this connection was to purchase the Graham Nail & Wire Co. at Toronto. But the biggest and probably most farsighted move came when Dosco bought out the U. S. Steel's Canadian properties located at the Border Cities.

Through this deal, which involved the issuance of a comparatively small block of low-coupon bonds, Dosco acquired the Canadian Bridge Co., Canadian Steel Lands Co., Essex Terminal Railway Co., Canadian Steel & Wire Co., and Canadian Steel Corp.

The strategic importance of this deal cannot be overemphasized.

Like the Nova Scotia Steel deal, the U. S. Steel's properties were acquired on such basis that the carrying charges are fully covered by earnings from the properties themselves. Consequently there is no burden to the parent company.

Thus tremendous progress has been made in rounding out Dosco's productive facilities, widening the field of operations in highly important areas and in developing greater and more diversified markets.

Building Up Earning Power

On the financial side, the progress made has been equally impressive.

The depression years naturally proved a drag on the efforts to re-establish the enterprise. In 1933 Dosco defaulted on sinking fund payments, in return for which the debenture holders had the interest coupon on their security raised to 7%.

Little improvement took place in the next two years and in 1935 it was necessary to seek concessions from the debenture holders. This time the outstanding debentures were exchanged in part for new income debentures and in part for Dominion Coal debentures. The exchange gave each security holder 50% of the principal amount of securities held in 6% debentures of Dominion Coal and 64% of the principal amount in 6¼% income bonds of Dosco.

Big Year in 1937

From then on the fortunes of Dosco turned for the better. In 1936 interest was earned 4½ times before depreciation and just short of interest requirements after depreciation. But in 1937—a good year for industry—Dosco came into its own. Interest charges were covered 10.33 times before and 6.60 times after depreciation. All "arrears" were paid off and the bonds put on a clear basis. Further the surplus of earnings was equivalent to $1.56 a share on the outstanding stock.

The financial statement this year will reflect the slowing up of business. Since mid-year operations at the Sydney steel plant have been on a lower basis and this will find reflection in earnings. However, since last month operations have increased making for a better outlook in 1939. Despite lower rate of operations, the expectation is that the company will be able to cover interest charges, depreciation, and possibly have a small balance available on the stock.

Have Put House in Order

In any consideration of Dosco certain features stand out:

In the first place the "water" has been squeezed out of the capital structure. Interest charges have been reduced to a point lower than ever before, so that on a comparatively small volume of business the company can meet debt charges. Further, it is obvious that, given two or three good years, the management of Dosco will take steps either to retire the existing debt or refund it on a lower coupon basis. There is another alternative, namely, that the market value of the stock will increase to such a point making it desirable for the holders of the income bonds to convert.

While earnings of the company may show a moderate setback this year, still the fundamental position continues sound and, given an improvement in business conditions, the company is in an excellent position to develop earnings to a point where a dividend on the B stock is a possibility in the not too distant future.

Lined up with the foregoing is the fact that the Dosco of today is a much different enterprise from its predecessor. The weaknesses of the old structure have been strengthened; the holes have been plugged up; and operations diversified. If management and initiative count for anything in the successful conduct of business then Dosco should over the years ahead fulfill the original hopes held out for Besco of making the enterprise a highly profitable undertaking.

Management

In studying a company which has made steady progress credit must be given to the management responsible. Present officers of Dosco include: Arthur Cross, president; H. J. Kelley, first vice-president and general manager; M. W. McDonald, secretary-treasurer; C. B. Lang, vice-president in charge of steel sales; A. M. Irvine, vice-president in charge of coal sales; W. A. Doig, assistant secretary.

The board of directors consists of the following: Hon. J. L. Ralston, K.C.; Hon. C. P. Beaubien, K.C.; Arthur Cross, Hon. J. P. B. Casgrain, George F. Downs, Sir Charles B. Gordon, Sir Herbert S. Holt, George S. Montgomery, K.C.; Hon. Lorne C. Webster, all of Montreal; C. J. Burchell, K.C.; A. N. Jones, J. McG. Stewart, K.C., Halifax; J. H. Gundy, Joseph A. Kilpatrick, Toronto; H. J. Kelley, Sydney, N.S.; D. W. Fraser, New York; Dr. G. B. Waterhouse, Boston.

New Books . . . . .

Minute by Minute

I BROADCAST THE CRISIS. By H. V. Kaltenborn. Published by the Macmillan Co. of Canada, Toronto. Price $2.25.

At the time of the Moose River disaster, radio brought half-hourly messages to a world that suspended its normal labors to follow the fortunes of three entombed men. As a matter of fact there was not a new item of news to report each half hour. But radio made the most of the scanty material and added drama and color to it. The result was a continent aroused to a high pitch of intense and emotional excitement. Business suffered; nervous energy was wasted; people lost sleep. Only one thing seemed important. For a week this one thing caused the world to forget vastly more significant happenings in other fields.

When it was all over, sober-minded persons wrote the real story of Moose River and it was not exactly the same story that the people had heard over the air.

Only One Story

Again in September last, the Sudeten crisis gave radio another big chance to excite the world. Every few minutes news flashes were broadcast. The finest musical, dramatic and entertainment programmes were interrupted—usually without the performers being aware of the fact that they were performing before dead microphones—in order that radio could bring the voice of spot newscasters in Prague, Berlin, London, New York or somewhere else.

Again the normal currents of daily life were diverted. Trade slumped as people sat beside their radios drinking in the highly intoxicating liquors mixed to make a crisis cocktail.

Print for Permanence

Best of the broadcasters was H. V. Kaltenborn. Most of his interpretations were knowledgeable and just. In his CBS studio office in New York he received messages from all over the world, assembled them, studied them and presented his interpretation of their meaning. Even while experienced statesmen were pondering the meaning of some event or some speech he was on the air with his own opinion of its significance. On the whole the opinions stand up reasonably well considering that they were offered for consumption before they could be baked.

Now Mr. Kaltenborn has put his broadcasts into a book. It is something of a commentary on the transitory life of a radio broadcast that Mr. Kaltenborn has had to use the printed word to give any permanence at all to his expressions of opinion.

Inaccurate "News"

His own broadcasts, covering the whole period of the Czech crisis, are interlarded in the volume with spot news announcements made by other Columbia newscasters. It is to be assumed that they have been carefully edited yet some of them appear a bit ridiculous now in the light of present facts. On Saturday, September 10, the announcer said: "War alarm has reached an unequalled pitch in Europe tonight." This was certainly not true. Again on Monday, September 12, the announcer said: "This morning the entire civilized world is anxiously awaiting the speech of Adolph Hitler, whose single word may plunge all Europe into another world war."

The cumulative effect of the announcements was to keep radio listeners in a continuous state of burning excitement.

Radio has a difficult task before it to find the means of holding the balance between merely informing the public and arousing a whole continent to hysteria. Radio may feel proud of its part in the last crisis but radio nearly swept the world to war and that is something to ponder over.

History-makers of Today

MOULDERS OF NATIONAL DESTINIES. By F. H. Soward. Published by Oxford University Press, Toronto. Price $1.50.

This generation has produced some of the most remarkable figures in history. One has merely to mention Woodrow Wilson, Hitler, Mussolini, Lenin, Stalin, Ataturk, Sun Yat Sen and Chiang Kai-Shek to suggest some men of today whose influence cannot but live through the ages.

Prof. F. H. Soward, historian at the University of British Columbia has written brief sketches of 19 "Moulders of National Destinies." Originally given over the radio, they have now been gathered together in an attractive book. With emphasis upon the personality and achievements of the men he has selected, he has painted an exciting background for a study of the news of the day.

Of the 19 included 12 are already dead. A changing generation looks out for new leaders. Will they be found in Chamberlain, Daladier, Voroshiloff, Cardenas, Beck or Vargas?

Guelph Carpet Has Poor Year

Because of falling raw material markets, declining prices and reduced demand, The Guelph Carpet and Worsted Spinning Mills experienced the poorest year in its history, from an earnings standpoint, in the 12 months ended Sept. 30, 1938.

Net profit for the year decreased to $35,005 from $96,629, equivalent to earnings of $7 and $19.33, respectively, on the preferred stock, and 7 cents and $1.83 on the common shares.

A net operating profit of $40,684 in 1938 compares with $123,099 in 1937, after depreciation allowances of $40,584 and $79,121, respectively.

After dividend payments on the 6½% preferred stock, of which there were 5,000 shares of $100 par value outstanding, and disbursements on the 35,000 no par value common shares of $1, surplus at the end of 1938 was reduced to $87,356, from $119,851 in the previous year.

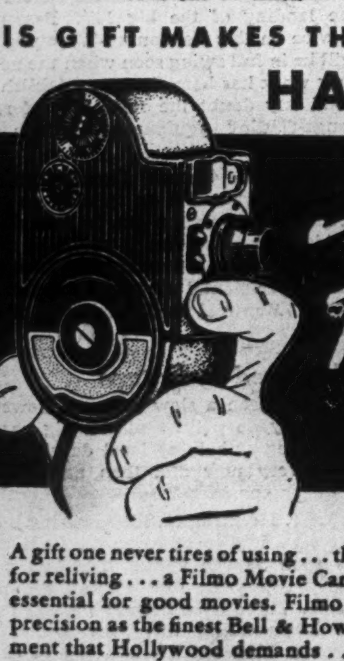
Profit and Loss Account
Years Ended Sept. 30

	1937 $	1937 $
Net oper. earn.	81,268	202,220
Less: Deprec.	40,584	79,121
Net oper. profit	40,684	123,099
Add: Other income	3,321	530
Less: Taxes	9,000	27,000
Net profit	35,005	96,629
Less: Pref. divds.	32,500	32,500
Com. divds.	35,000	35,000
Surplus for year	*32,495	29,129
Add: Prev. surplus	119,851	90,722
	87,356	119,851

Working Capital
As at Sept. 30

	1938 $	1937 $
Current assets	764,415	802,837
Current liabilities	71,325	35,203
Working capital	693,090	767,634

THIS GIFT MAKES THE WHOLE YEAR HAPPIER...



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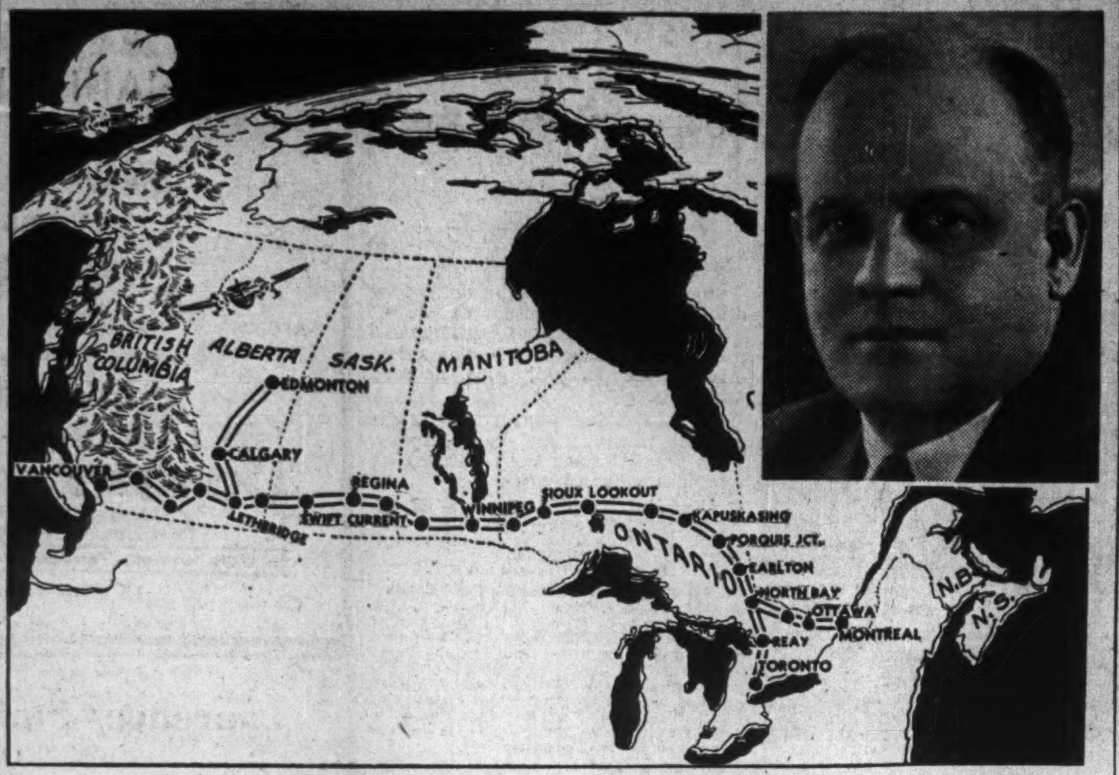

Philip G. Johnson (inset), vice-president of Trans-Canada Air Lines, has directed the painstaking evolution of a nation-spanning air service over the route shown above. The points marked show location of radio beacons

Canada Builds Air Service

(Continued from page 13)

load up to 1,200 pounds. In the United States the minimum compensation is 33½ cents an air mile for 300 pounds. There is a graduated scale rising to 40 cents an air mile for loads of 500 pounds or more.

The British Government pays a lump subsidy to Imperial Airways in which is included a retainer for air-mail carriage. On top of this a rate is based on the space used by mail on the plane. Payment of this charge is split up among the countries serviced.

Canada's 60-cent rate will be reduced automatically if and when the Trans-Canada profits reach a certain level. These profits will, of course, in turn be affected by the volume of air mail carried.

To what extent the taxpayer is really subsidizing T.C.A. by paying 60 cents a mile for air mail is a much-debated point. There has already been much criticism that the Government is squeezing out private operators by cutting corners on its air-mail contracts on feeder lines and that at the same time it is prepared to do handsome things for T. C. A. Rates for private operators range from less than 30 cents up to 50 cents.

The comparison with the United States does not allow for the fact that Canada is as yet pioneering whereas the U. S. has had at least a decade of experience. On the other hand it does show a very marked gap which in Canada will have to be bridged by the taxpayer—indirectly, of course, through post office contributions.

The rates that you and I will pay are shown elsewhere on this page. The passenger rate base will be five or six cents per mile with a 10% reduction for a round trip or a 15% cut for using "scrip" tickets such as are in vogue in United States and Europe.

Express rates will be on a comparable basis with the big transcontinental services now carrying business all across the United States. The Canadian system will compete directly with its U. S. equivalents.

One question which has often been asked is whether or not Trans-Canada Air Lines can continue indefinitely to operate as a C.N.R. subsidiary, competing as it does for passenger and express business. Because of the dependency on public policy, a direct answer to this question is difficult if not impossible at present time. There are those who feel that eventually a way will be found to separate Trans-Canada from the C.N.R. and to turn it back into private hands.

This is the policy that has eventually been followed in the United States and it is felt that experience in that country indicates that the greatest progress, the most economical operation and the most efficient administration can be obtained in this way. Originally all air-mail facilities in the United States were in the hands of the Government. One by one they have been taken over by private companies. In each case this was the starting point for worthwhile progress.

Semi-Public Body?

On the other hand, there will be a strong pull in Canada toward at least a semi-public corporation, such as Imperial Airways in Great Britain. This, in effect, is the plan originally contemplated at Ottawa, but which has temporarily fallen by the wayside through refusal of private enterprise to link up with Trans-Canada on the terms offered by the Canadian Government.

Another important question is the extent to which Trans-Canada is going to branch out in auxiliary or feeder services. Here again the test is a simple one.

According to present plans, Trans-Canada will only extend operations into areas where it is economical and feasible to operate its own specialized equipment; and where operation is desirable to protect the main approaches to its chief preserve—the Trans-Canada service. T.C.A. aims as soon as possible to standardize all its equipment on the basis of the big Lockheed 14. Wherever it is economical to operate this type of plane Trans-Canada will aim to extend feeder and auxiliary lines. Apart from this it is quite content to leave such operations to private interests.

The original plan to leave such off-trunk routes as Montreal-Toronto-Buffalo-Detroit to private operators has been shelved because T.C.A. cannot afford to sacrifice business dovetailing with or partly travelling over the T.C.A. main route.

Linking With U. S. A.

The relations between Trans-Canada and the big American lines form another problem that must shortly be faced.

For some time now Trans-Canada has been dividing business with United Air Lines on the Seattle-Vancouver route, which T.C.A. took over from Canadian Airways. There are staggered schedules that in effect split available traffic between the two services.

Two other major points of contact, Winnipeg and Montreal, are now served by American lines only as far as service to United States points is concerned. Ottawa and Montreal for some years have been provided by Canadian Colonial (an offshoot of American Airlines) with service to Albany and, in recent years, to New York. Northwest Airlines runs a shuttle service south from Winnipeg to Fargo, N.D., to connect with its through service between Chicago and Seattle.

Pressure is still being exerted for permits to operate American services to points such as Lethbridge, Regina, Toronto. Once the complete Trans-Canada schedule is operating this demand will increase many fold.

Guard Canadian Line

But Trans-Canada officials argue that every time a U.S. feeder cuts into a Canadian city it taps Canadian business which might otherwise take the all-Canada transcontinental route. The hope is that as soon as possible some equitable division will be reached in agreement between the two governments so that if Montreal, for example, continues to be served by an American line, Toronto will have an exclusively Canadian service running to the first point of logical entry, such as Buffalo or Detroit. T.C.A. will run to Windsor in any event.

Personnel Problem

It remains to be seen how long Mr. Johnson, and the T.C.A. executives and technicians who came with him from the United States, will stay in Canada. In this nucleus of half a dozen experts are men whose names rank high in U. S. aviation.

There is, for example, Duard B. Colyer, at one time superintendent of air mail for the U.S. post office, now chief technical adviser to Mr. Johnson. He was formerly operations vice-president of United Air Lines.

As technical adviser on maintenance and overhaul is H. Oliver West, a maintenance and shop man with 21 years experience and formerly superintendent of engineering at Chicago for United Air Lines. O. T. Larson, a top-ranking meteorologist and one of the first to apply this science to aviation in United States, is adviser on meteorology and dispatch.

To direct working out of flying operations, Trans-Canada has had the experience of H. T. Lewis, a crack U. S. pilot himself; S. S. Stevens has been handling radio installations. He was formerly with Eastern Airlines at Miami, Fla.

Another expert, Bill Straith is an expatriated Canadian formerly with Northwest Airlines. His specialty is flying instruction.

Training Successors

Perhaps some of these men will stay permanently with the Canadian system. However, should they leave, there will be Canadians to take their places as a result of their work. And there is little concern that our own Canadian men will find the U. S. field more attractive.

One principle on which Trans-Canada is being built is that it must be highly efficient and economical to operate. This means that only the best in personnel and equipment will be accepted. To get this best means paying for it. First-class pilots, for example, will be paid between $400 and $700 a month—salaries which compare favorably with the best paid in the United States.

Some people have questioned Canada's expenditure of money and effort in aviation at a time when our railway problem hangs so heavily about our necks. But the trend in the U. S. has been that air travel not only stimulates modernization and improved service and patronage on the railways, but also creates new travel opportunities rather than robbing railways of existing business.

The feeling of T.C.A. officials is that rather than competing with existing forms of transportation it will compete instead with communications—the telegraph and existing mail service.

Some men, of course, will take the airplane in preference to a long rail journey. Experience has shown, however, that many of those who travel by air are people who might otherwise not travel at all because existing means of transportation were not quick enough and force them to use the telephone, telegraph or the mails. Another result, of course, has been to speed up existing railway schedules in the states and force railways to build new streamlined equipment.

By Air, Land and Sea

Escape From Winter

Visitors Bask in Southern Sun

Less Than Two Days from Canada

Sun worship was supposed to have died out with the Aztec civilization of early Mexico, but the sun still has many followers.

When the first real winter roars in from the North and the days grow shorter and shorter, hundreds of travellers follow the birds south. They seek a sun, hot enough to bask in, penetrating enough to tan.

Few northern countries are so conveniently situated in the matter of accessible climates as Canada. Summer and winter, sea bathing and skiing are only a day or so apart.

Within 1,500 Miles

From 1,500 to 2,000 miles directly south of every large city in eastern Canada, and not much farther in the western provinces, there are places where the temperature ranges from 60 to 80 degrees, where tropical flowers are in full bloom, where bluebirds and robins are rearing their southern broods. Overshoes are discarded at the start of this short journey, rubbers and heavy coats midway, woollens before arrival.

Plane, Train, Motor or Boat

If the holiday is going to be short and speed is essential, direct plane connections can be made at Montreal, Buffalo, Winnipeg and Vancouver. By plane, summer can be reached in from 12 to 18 hours.

By air-conditioned train, 36 hours will take one from Montreal or Toronto to the borders of Florida. By road the journey is more leisurely, with bus schedules a few hours longer than rail, and private trips whatever the driver decides.

And this does not exhaust all forms of transportation. Along both coasts one can go south by ocean liner, either on the regular ships that ply between northern and southern ports, or on special cruises, during the holidays around Christmas and Easter, that call at the West Indies.

Southern Routes

Rather lost sight of in the romance of spanning a continent from east to west have been the development of natural routes which run in the opposite direction.

Nearly a dozen main railroads and first-class highways follow the old French invasion routes into the New England States. These come out of New Brunswick or Quebec at the Maine border, or they follow the valleys south from Quebec City and Montreal, converge along Lake Champlain and drop down the Hudson. Others parallel the original sea route from Halifax, Yarmouth, Digby and St. John, via Boston.

From Ottawa, western Quebec and eastern Ontario the traffic funnels down across the upper St. Lawrence, debouches below the Vermont Mountains and hooks up with the southern routes at New York or Baltimore. The same thing occurs at Niagara and Detroit. In the middle West, rail, road and air routes again follow historic trails, this time along the Mississippi. From Alberta, roads and rails must largely parallel the Rockies, crossing gaps near Spokane or farther south. British Columbia connects by coast roads, railroads or airlines.

Big Canadian Influx

In both Florida and California, Canadians easily form one of the largest single group of visitors. There are Canadian clubs, Canadian bowling, tennis and horseshoe associations, international tournaments.

Like the travellers on a long ocean cruise, the majority of long-term visitors are older people and youngsters. Active workers with jobs to fill go south for brief periods at Christmas or New Year.

Travel Costs Vary

Cost of travel to and from the South vary. Everything depends on the service demanded. Minimum return fare by train, including sleeper and meals to nearest sub-tropic points, will cost not over $125.

Travel Notes

A 20% increase in the tourist business for the first half of the current year is reported by South Africa. With this development has been an even more striking increase in the number of business callers, some 550 international drummers visiting the Dominion in July alone.

• • •

A 14,000-mile cruise circuit of South America will be made by North German Lloyd's Bremen this season. The big liner, especially groomed for the event, will leave New York City early in February, cut through the Panama Canal and travel around South America from west to east. Stops will be made along the coast and also at the most southerly tip of the continent. Special interior visits include a jaunt through the Andes, inspection of mining industries and a tour of the Chilean Lake district.

• • •

Since Captain O. P. Jones of Imperial Airways began flying he has carried a total of 96,000 passengers without a single casualty. In his 21 years' experience he has flown 50 different types of aircraft ranging from tiny low-powered light airplanes of the war period to his present command, the 3,400 horsepower Imperial Ensign Airliner. It is estimated that Captain Jones has crossed the English Channel more than 6,000 times by air.

• • •

In 1940 New Zealand celebrates the centennial of the first organized settlement. Extensive arrangements are being made to make this a banner year for visitors, including, among other things a mammoth exhibition.

• • •

A special 3½-weeks cruise to South America has been arranged for the Normandie, flagship of the French Line. The huge liner will pull out of New York Harbor on February 4, reaching Rio de Janeiro, Brazil, two days before the pre-lenten carnival. En route, stops will be made at Nassau, Port of Spain, and on the way back at Bridgetown and Martinique.

• • •

After two short December and February cruises from New York to Kingston and Havana, the French Line's Champlain, early in March, starts on its annual Mediterranean cruise. The south coast will be followed on the outward trip, stops being made at Madeira, Casablanca, Tangiers, Gibraltar. After leaving Morocco and Algiers the liner proceeds across to Italy, visiting Sicily, Athens, and finally turning at Istanbul, Turkey.

The British Industries Fair in 1939 will be held simultaneously in London and Birmingham from Feb. 20 to March 3. Since its inception in 1915 this exhibition has been favored with uninterrupted growth.

This Christmas Go HOME!

SAILINGS FROM ST. JOHN
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Dec. 9—DUCHESS OF YORK, to Glasgow, Belfast and Liverpool.
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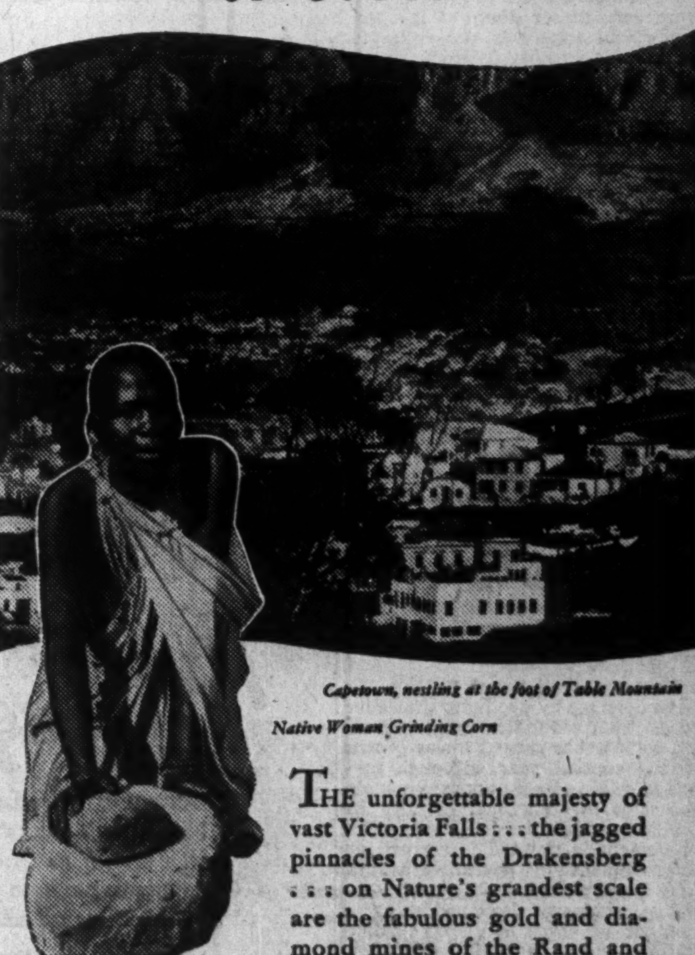

Capetown, nestling at the foot of Table Mountain
Native Woman Grinding Corn

THE unforgettable majesty of vast Victoria Falls : : : the jagged pinnacles of the Drakensberg : : : on Nature's grandest scale are the fabulous gold and diamond mines of the Rand and Kimberley : : : the lush beauty of flowers, the boon of sunshine.

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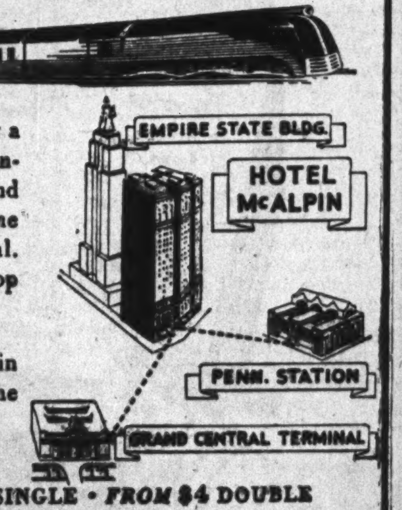

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Abitibi

I hold Abitibi securities and, being resident in China, have just heard that a plan of reorganization has been adopted. Can you give me an outline of the proposals?

Last year three major plans of reorganization were proposed for Abitibi Power and Paper Co. Of these only one, that advanced by the bondholders' representative committee, was ever actually put to a vote of bondholders. On Oct. 15, 1937, this plan was adopted but subsequent efforts to have it approved by the courts failed and this plan is now of no immediate importance.

Another plan was advanced by R. S. McPherson, liquidator of Abitibi, and this plan is still before the courts but no action has been taken on it. Because of the considerable period of time that has elapsed since this plan was first formulated it is doubtful if it could be given to security holders for their consideration as it stood at that time.

Conditions have changed in the industry and revisions of former plans would be necessary. It is quite possible that some further moves to reorganize the company will be announced before long.

Power Corp.

Can you give me a report on Power Corp.? I hold some common shares.

Power Corp. common stock has considerable leverage behind it. The company has substantial investments in various public utility properties. Earnings have shown steady improvement from the depression low in the year ended June 30, 1933. In the year ended June 30, 1938, common share earnings amounted to 93 cents a share, compared with 73 cents a share in the previous year. It is difficult to analyze the position of this company inasmuch as the management has not made public any particulars in regard to the investment portfolio of the company for some years. At June 30, 1938, the company's investments had a market value of $25,881,918, compared with $29,220,589 in June, 1937. Since then there has been an improvement in the market, so that the decline in the market value of the investment portfolio may be only nominal.

Cawthra Apts.

I would appreciate any information that you can give me on the Cawthra Apartments Ltd.

Cawthra Apartments, Ltd., operates apartment buildings located in the central district of Toronto. It is probably true that the district where the Cawthra Mansions are located is one which is unlikely to grow in value as a residential section. This factor would probably make it difficult for the company to effect any worth-while increase in rents.

The apartments are being kept rented at approximate capacity and it is expected that a somewhat larger income will be reported for 1938 than last year.

In 1937 the company earned its bond and note interest 1.31 times after all expenses, but before depreciation.

In 1932 Cawthra Apartments was reorganized and as a result holders of the old 7% first mortgage bonds received one half the principal amount in new 6% bonds and the balance in stock.

Because of the restricted financial position of the company and the likelihood that value of its properties will not increase to any great extent, it appears rather doubtful if these bonds will approach par value in the reasonably near future although the company will likely be able to maintain interest payments at present rates.

Metal Industries

How do you regard the prospects for International Metal Industries?

International Metal Industries has a record of considerable fluctuation in earnings. The greater proportion of the company's business is carried on in the United States and in the past year it has undoubtedly suffered from the business recession in that country. Currently, however, signs of improvement have been common. The substantial arrears on the preferred shares and the possibility that some action may be taken to liquidate these lend a certain amount of uncertainty to the outlook for the company.

National Grocers

Will you outline the conditions affecting operations of National Grocers recently?

Earnings of National Grocers Co. have been hit by declining prices for foods. This reduction, ranging from 8% to 10% has caused lower profits in the current year, although tonage sales have been at approximately the same levels as last year. If the prediction that the long-term price movement is upward is correct, an improvement in operating results may be expected.

The company is considering a number of plans of reorganization but no action is contemplated for the immediate future. A plan for settlement was approved by 90% of the preferred and common shareholders last January, but was subsequently disallowed by the court. After payment of $3.50 a share on June 10 on account of preferred arrears, there was a total of $22.75 a share unpaid. In rejecting the plan the court stated that it believed that the company could eventually pay these arrears in cash.

On Oct. 1, the company redeemed another $100,000 serial maturity of its 4% first mortgage bonds, reducing outstanding amount to $900,000 from the $1.2 million issued in 1935.

In the year ended March 31, 1938, sales volume was substantially higher than that of the previous year, but the percentage of gross profit was lower and operating costs were higher. Inventories carried over into the present year were lower than those of the previous year which would be favorable to the company in view of lower values.

Better circumstances for the company in the remainder of its year ended March 31, 1939, might take up the declines incurred in the year to date, but it is too early to make a prediction on what final results will be.

Canadian Oil

Will you kindly give me a report on the preferred and common stock of Canadian Oil? Is the preferred redeemable and at what price?

The 8% cumulative preference stock of Canadian Oil Cos. is not callable. This stock is one of the few non-callable preferred stocks outstanding in Canada where there is a long-term record of steady dividend payments. Dividends of $8 a share have been paid on this stock each year since it was issued in 1908.

Common stock has received a dividend payment each year since 1925 at varying rates. From 1933 the company has paid 50 cents a share annually on this stock. In 1937 net profits of Canadian Oil Companies were equivalent to 75 cents a share on the common after allowing for preferred dividends as compared with a deficit equivalent to 14 cents a share in 1936.

The stocks are listed on the Toronto and Montreal Exchanges, although not very actively traded. Shares of oil refining and distributing companies have not been giving a particularly favorable performance on the stock market for some time, probably reflecting conditions in the United States and renewed agitation for further control over gasoline prices by governments.

The company is one of the smaller units operating a refinery in Canada and it is affiliated with the National Refining Co. of Ohio.

Richmond-Bay

What is the amount of 6½% first mortgage bonds of Richmond-Bay Co. outstanding? Can you outline the company's position?

There are $749,600 6½ first mortgage bonds of Richmond-Bay Co. outstanding. Sinking fund is approximately $47,000 in arrears.

The company owns a 22-story office building, known as the Sterling Tower, Richmond and Bay Streets, Toronto, completed in 1928.

While financial statements for the company have not been made available interest on the 6½% bonds is said to be earned and paid and the organization is paying off arrears of sinking fund.

King Edward

What are the chances of any increase in the value of the bonds of King Edward Hotel?

Some progress is being made in improving the revenues of the King Edward Hotel. The hotel building itself is now owned outright by the Metropolitan Life Insurance Co., New York, which company foreclosed on its first mortgage. The equipment and fixtures of the building and its goodwill are in the custody of the National Trust Co., as trustee for junior bondholders. The National Trust Co. is operating the hotel under a leasing arrangement from the Metropolitan Life.

It has been necessary to spend substantial sums on renovation and improvements to place the hotel in a better competitive position. These expenditures are expected to be returned in better revenues which are already evidenced. It will be a long time before any great earning power will be established for the holders of 7% bonds of this hotel. It is true that progress is being made, however, and there is a fair prospect that a reorganization will be worked out.

So long as it is possible to report a growth in earnings of the hotel, there is prospect of an increase in value of the bonds but we would not look for anything like a recovery to par value again.

Dom. Woollens

How do you regard the prospects for Dominion Woollens and Worsteds?

Dominion Woollens and Worsteds reports that volume of business for the first eight months of 1938 was considerably below that for the corresponding period a year ago. In the early fall, however, it was understood that there were signs of considerable improvement which might have been due to a seasonal demand.

Dominion Woollens has been affected adversely by labor difficulties in the past year.

The company was reorganized in 1935 and following reorganization took advantage of permission granted by bondholders not to pay interest up to the beginning of 1938. Regular payments have been made this year but earnings have not been such in the past few years as to give any too much confidence that the company will be able to maintain payments regularly unless conditions improve substantially. Operations are somewhat subject to fluctuations in prices of its chief raw material, raw wool.

The company believes that the trade agreements will have little effect on it directly, but indirectly through the secondary producers some effect may be felt. As the largest single unit in the Canadian woollens industry, the company probably finds its chief competition coming from woollen goods imported from Britain. It is generally true that investment in the woollen industry has been an unsatisfactory investment in past years.

Standard Paving

Can you give me information as to the financial condition and prospects for Standard Paving and Materials?

It is believed that informal discussions have taken place among directors of Standard Paving and Materials with regard to the possibility of a reorganization which would eliminate the arrears of dividends on the preferred stock. These arrears amounted to $40 a share at the end of last March.

It is not expected that the company will receive any revenue from its subsidiary, Consolidated Sand and Gravel for some time to come as it has $33 a share in arrears of dividends on preferred stock, while Standard Paving holds the common. It is not expected that this subsidiary, which paid $7 a share on its preferred last year and another $3.50 a share in August of this year will show earnings quite as high as in the year ended Mar. 31, 1938 when the preferred dividend was covered more than twice.

It is expected, however, that earnings of Standard Paving will be higher than a year ago when $6.28 a share was earned on the preferred.

Volume of paving contracts booked is better this year. The Financial Post was informed in August that any payment of cash dividends on the preferred stock could not be expected for some time yet. The company appears to have adequate capital for current operations, as it held cash of $81,260 and investment bonds of $233,561 at the end of March. At that time current liabilities amounted to $189,156, of which $30,610 were bank loans.

Prospects are largely dependent upon road and highway construction in which line activity has not been quite normal for the past few years.

Godfrey Realty

Will you please give me a report on Godfrey Realty Corp.?

Godfrey Realty Corp. operates an 11-story office and warehouse building in Montreal. This property has already been through two reorganizations and in 1937 interest rate on the first mortgage bonds was reduced from 6% to 4%. It is estimated that the company will be able to maintain regular payments at this rate.

PONTIAC CHIEFTAIN—

Modern styling, chromed grilles in fender catwalks, roomy Fisher steel bodies with color and trim options feature the 1939 Pontiacs. New clutch, improved steering, remote control gearshift are obtainable on all models.

N. S. Power Bonds Are Sold Privately

From Our Own Correspondent

MONTREAL.—No public offering will be made of the $1 million 2%-3% bonds of the Nova Scotia Power Commission, guaranteed by the Nova Scotia Government, and acquired by a group headed by the Bank of Montreal. The issue was bought at 101.28 to yield an average of 2.40%.

In addition to the Bank of Montreal, the members of the group included: Royal Securities Corp., Hanson Bros. Inc., McTaggart, Hannaford Birks & Gordon Ltd., Harrison & Co., and Mead & Co.

Short and Long Term

The issue consists of $150,000 2% bonds due December 1, 1939; $150,000 2¼% bonds due 1940; $150,000 2½% bonds due 1941; $150,000 2½% bonds due 1942; $200,000 3% bonds due 1943 and $200,000 3% bonds due 1944.

The purpose of the issue is to fund expenditures on the Commission's Cowie Falls development. Power from this site to the extent of 10,000 h.p. has been contracted for by Mersey Paper Company.

Porto Rico Gas Sells Bond Issue

Offering in Canada Does Not Represent New Financing

From Our Own Correspondent

MONTREAL.—An issue of Porto Rico Gas & Coke Co. 6% first mortgage bonds is being offered by a syndicate composed of W. C. Pitfield & Co., Hanson Bros. Inc. and Eastern Securities Ltd. The offering price is par, plus accrued interest.

The issue does not represent additional financing by the company, the bonds having been outstanding for a number of years.

Details of the company's operations and of the issue follow:

$520,200
Porto Rico Gas & Coke Co.
6% First Mortgage Sinking Fund Bonds
Dated July 1, 1922. Due July 1, 1952.

Company—Incorporated in the State of Delaware, it manufactures and distributes gas in San Juan and Rio Piedras, Porto Rico, and merchandises appliances for the utilization of gas. The company has 5,640 customers and its plant has a capacity of 1,250,000 cu. ft. of gas per day. Franchise expires in 1963. Management is in the hands of Stone & Webster

Capitalization—	Author.	Outstand.
1st mtge. bonds	$3,000,000	$520,200
6% pf. stk., par $100	$500,000	$494,500
Com. stock, par $25	$250,000	$250,000

Earnings—Net earnings available for interest, depreciation and income taxes amounted to $135,382 in the 12 months ended Aug. 31, 1938, $127,560 in the 1937 calendar year, $101,909 in 1936 and $85,641 in 1935. Interest requirements in the 12 months ended Aug. 31 were earned 4.31 times before depreciation and 3.15 times after depreciation.

Assets—Book value of plant, property and intangibles at Aug. 31, 1938, amounted to $1,704,045 against which there was a retirement reserve of $338,412, leaving a net book value of $1,365,633. Working capital amounts to $272,296.

Security—First mortgage on all plant and property of the company.

Sinking Fund—A sum equal to 1% annually of the face value of all bonds issued.

Payable—In U. S. funds.

Callable—At 105 to July 1, 1942; at 104 thereafter to July 1, 1944; at 103 thereafter to July 1, 1946; at 102 thereafter to July 1, 1948; at 101 thereafter to July 1, 1950; at par thereafter to maturity.

Offered—By W. C. Pitfield and Co., Hanson Bros. Inc. and Eastern Securities at 100 and accrued interest.

Harrison & Co. Opens Office in Montreal

Harrison & Co., Toronto investment firm, has opened an office in Montreal. The Montreal office is to be under the management of G. F. Styles with whom is associated Harry Bates. Mr. Styles is a native of Montreal and a past president of the Montreal Bond Traders Association.

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NOTICE TO DEBENTURE HOLDERS OF

FORT ERIE, ONTARIO

The Corporation of the Town of Fort Erie, Ontario, having appointed

GUARANTY TRUST COMPANY OF CANADA

Toronto and Windsor

its Fiscal Agent for the refunding of its debts, requests all debenture holders to advise the Fiscal Agent immediately as to their holdings, giving by-law number, serial number, principal amount and due date of all debentures held by them.

CORPORATION OF THE TOWN OF FORT ERIE
DR. J. R. MENCKE, Mayor.
W. C. TAIT, Clerk-Treasurer.

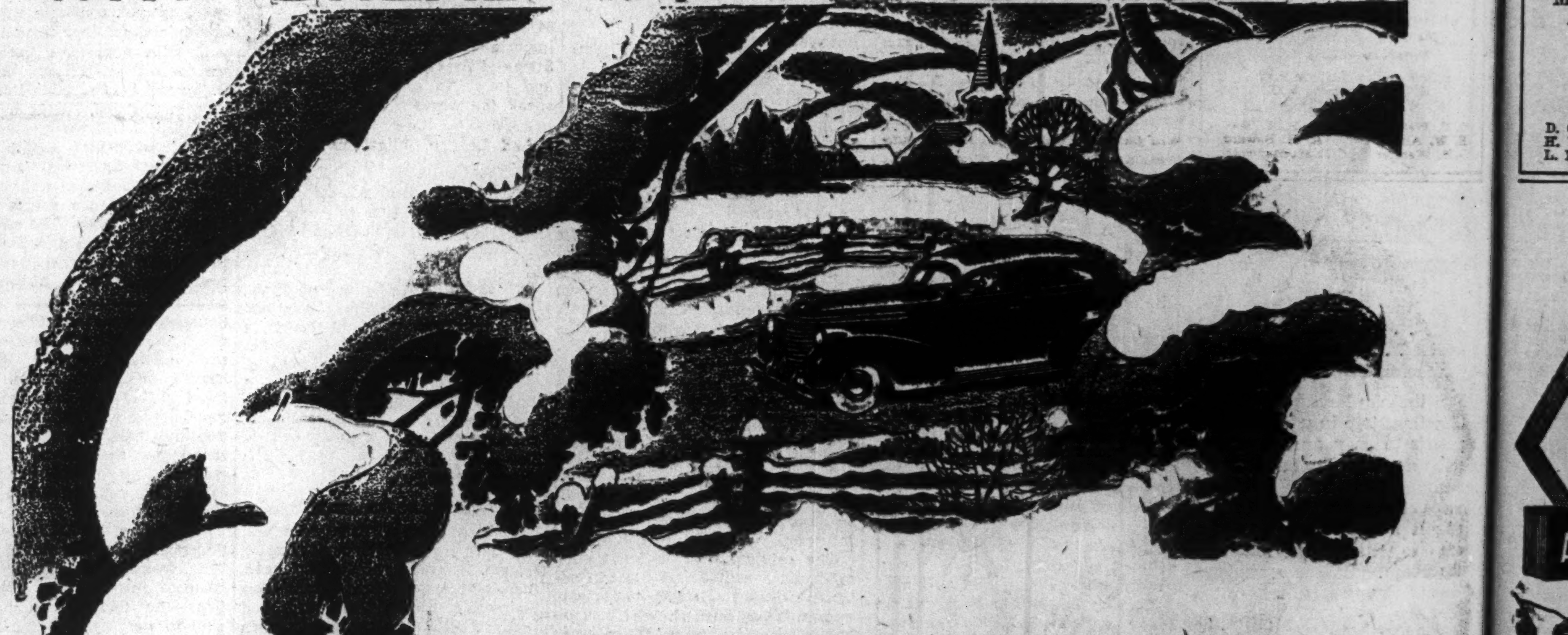
Review your will every January

Every year thousands of wills become obsolete because their makers fail to bring them up-to-date. Hidden away in some safe deposit box, many of these documents bequeath forgotten property to persons who no longer exist and name executors already dead!

Make it a point to review *your* will every January and give careful consideration to changed circumstances. Consider, too, the qualifications of your Executor. The addition of a simple codicil is all that is necessary to secure the administrative services of The Royal Trust Company.

THE ROYAL TRUST COMPANY

WHY DREAD WINTER DRIVING ?



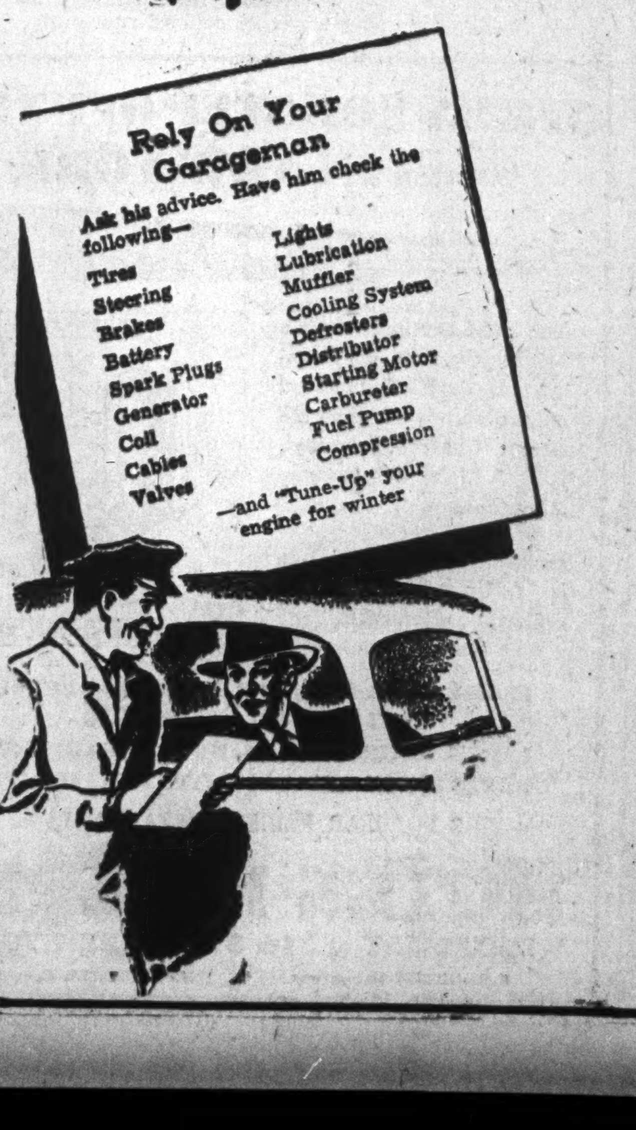
Make It Pleasant and Carefree

GOOD as is the modern car, it has parts that wear. Worn parts result in noise, waste, loss of power, and, what is worse, possibility of failure. Failure may mean an annoying delay — perhaps a serious accident.

Under strain it is the worn part that quits first. The greatest strain comes with winter driving, when working parts are stiff and road conditions severe. The more a part is worn, the faster it will wear, and it will likely wear faster in cold weather. Cold weather magnifies the effects of worn parts.

There was a time when cars were jacked up for the winter. Driver's manuals carried instructions for this work. Now they don't. It's not necessary to lay cars up, thanks to advanced designs and engineering, and to better roads. Cars are kept in operation the year around in most parts of Canada. Visibility, once the motorist's anxiety, is now assured through use of modern defrosters and fans.

Winter-Drive Safely With Economy



In the interest of safety, convenience and economy it will pay you to have your car examined by a competent garageman and put in perfect running order before submitting it to the more exacting conditions of winter driving.

Garagemen, as a rule, are not as busy at this season of the year as in spring and summer. They are in a position not only to give you a better job, but also a better price. In the case of an engine overhaul, installation of new piston rings, pistons, pins, bearings, etc., the job will have a safer run-in because lighter oils are used, with lower driving speeds.

An overhaul job now will be cheaper than if deferred until spring, and you will have the satisfaction of knowing your car is safe. Breakdowns are more unpleasant in zero weather.

It is always less expensive to anticipate a failure and remove the cause than to wait for trouble. Failure of one part may bring other troubles with it.

Buy a New Car If You Can

Now that new models are shown in the fall and early winter, you can decide whether you will drive a new car or your old one during the winter. By all means invest in a new car if you possibly can, but if the old one must carry on, give it every chance. Ensure your own safety, comfort and convenience by giving your car a general overhaul. Take it to the "doctor" for a check-up. It may cost you nothing at all, if nothing is required. It will cost you less if something is needed.

While you are at it, treat yourself to the luxury and comfort of a heater (if you haven't one), a fog lamp or perhaps a radio.

This message is directed to a million motor car owners in Canada by the publication that keeps up-to-date the 14,000 garagemen it serves from coast to coast.

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Blackout Over Geneva — 3

The League at Work

Assembly Meeting Gathers World Leaders But Makes Little Progress

By FLOYD S. CHALMERS
Editor, The Financial Post

"We have added another successful session to the many previous such assemblies. . . ."

So said Eamon de Valera when as president of the Nineteenth Assembly of the League of Nations he adjourned the sessions at Geneva at the end of September.

His was an optimistic estimate of the work accomplished.

Significantly, the League's meetings this year were never once asked to deal with the international crisis that raged while the Assembly met.

"As the session proceeded, events chased one another, and the nations of Europe were, it would appear, brought to the edge of the precipice," said the League's presiding officer, adding: "While these events were taking place. . . . we in this Assembly were performing the task which lay immediately to our hands."

The League was formed as a venture in co-operative statesmanship, to avert if possible such international crises as the one that blew up in September, and to deal with them if unhappily they arose. The casual observer may ask, a little drily, what was this task which lay "immediately to the hands" of the delegates at the League's annual assembly?

The League in Session

I have told something about the expert and technical services that carry on month after month at Geneva, whether the Assembly is in session or not. Meetings of the League Council, of the Assembly, of its committees, of its special organizations—such as the World Monetary and Economic Conference and the Disarmament Conference—represent the other half of the League's activities. Perhaps the simplest way of telling what the League does, and what it does not do, is to follow the assembly through the three weeks of its September meetings, stopping to examine only the highlights of its discussions and decisions.

Most of the discussions in the Assembly revealed the great difficulty of operating a League of Nations at all under present world conditions. The League has lost (or never included) some of the biggest powers. It can at best speak only for a portion of the world. And when it speaks for that portion, it must speak in roundabout language that conceals all the differences of opinion which are more frankly aired in the hotel suites and League corridors. The only resolution that will pass is the one that makes concessions to all points of view, one that is empty of meaning or the resolution that postpones decisions by farming out a problem to a world conference or a League bureau.

There are 54 member states, of which 49 were represented at Geneva this year. The delegates included two prime ministers and 18 foreign ministers.

Sounding Board

There were several "plenary" sessions, arranged chiefly to permit various delegates to use the League tribune as a sounding board for views they were desirous of getting out to the world.

Most of the effective work was done in seven committees that met long hours nearly every day and debated earnestly but often fruitlessly.

The Council—or senior governing body of the League—also held meetings. The Council meets several times each year. While this was the 19th Assembly of the League, the Council's session was its 103rd.

Two important political questions came before the meetings: an appeal from the Chinese Government and one from the Spanish Government.

Dr. Wellington Koo, head of the Chinese delegation, recalled, a little bitterly, that his country had previously appealed to the League for action under the League covenant against the Japanese aggressor. The League's various bodies had passed plenty of resolutions which remained largely "unexecuted or ineffective." He wanted action, particularly application of Article 17 of the Covenant. This article is one which provides a formula for imposing sanctions or taking other punitive action against a non-member state. (Japan is no longer in the League. The League Assembly telegraphed the Japanese Government inviting it to accept League machinery for peaceful settlement of the dispute. As was to be expected, Japan sent a curt refusal of the offer.

Condemns Japan

The League thereupon drafted a "report" condemning Japan, telling the members of the League that if they wanted to they could live up to their obligations to take punitive action against the Japanese aggressor, but reciting that as for "coordinated action" the experience of the past had shown "that all elements of co-operation which were necessary were not assured."

The effect of this report upon the war in China was, of course, nil. But everyone at the League knew that the League as an international policeman is as dead as a dodo and that pious expressions of sympathy for China were all the League could offer.

The premier of "loyalist" Spain also came to the League meeting to chide the members for having gracefully evaded their responsibilities to Spain. But he did not again waste his time asking the League to come to the assistance of Spain according to the obligations written into the covenant. Rather he announced that his Government was about to send home all volunteer soldiers from other countries who had come to Spain to fight on his side.

The effect of his announcement was a little spoiled by dispatches that had been appearing in the newspapers for several days, telling of thousands of desertions of foreigners from the Government ranks.

Commission to Spain

The League finally voted 250,000 Swiss francs to send a commission to Spain to supervise the withdrawal of these troops.

Next most important phase of the League's work was the discussion of proposals for the "reform" of the Covenant. Many meetings were held and numerous proposals were made, which will be dealt with in the final article in this series.

There were some discussions on the question of the reduction and limitation of armaments. It had been hoped to hold a meeting of the "bureau of the disarmament conference." (Yes, the disarmament conference that was convened so optimistically a few years ago is still, theoretically at least, in existence, just as is the World Economic Conference of 1933 which was not terminated but merely "adjourned"; and as is the Commission of Enquiry into European Union which does not bother to meet but is reconstituted each year.) But the League Council decided that the meeting "should be postponed to a more propitious date."

In short, the League Assembly decided that disarmament was not a very lively issue today, especially as competition in armaments had been intensified during the year.

Horrors Discussed

There was much discussion of the horrors of aerial bombardment of defenseless civilians. The Chinese delegate tried to get the League to make sanctions applicable to nations carrying on unlawful bombing. He asked governments to refrain from supplying such nations with aircraft and fuel. All he got was a roundabout resolution "taking note" of the facts brought out and leaving the question to the bureau of the disarmament conference (which we have seen has no intention of meeting until "a more propitious date").

Some time was given over to the discussion of mandates. This gave an opportunity for references, most of them friendly and sympathetic, to Britain's problem in its Palestine mandated territory. Nothing of consequence was said or done on the subject of mandates.

The League's system of dealing with refugee problems was overhauled. A new high commissioner (Sir Herbert Emerson) was appointed to combine the work of the Nansen refugee office and the German refugee office. There is already an intergovernmental committee already dealing with refugee problems. Thus the appointment of a League high commissioner merely provides means by which the League can get in on a work that should always have been entrusted to it but that has recently been carried on more energetically outside the League than in it.

Opium

A subject to which the League has devoted much attention is the control of opium growing and of the drug traffic throughout the world. An appalling state of affairs was revealed in China where the Japanese armies have been deliberately encouraging the opium habit among the Chinese people as part of their effort to weaken the morale of China.

In other social fields there were lengthy and occasionally effective discussions. Examples: It was decided to call a world conference in 1940 to plug the gaps in existing international treaties on the subject of traffic in women and children. It was decided to continue and finance the campaign against epidemics in China. Further support was given to studies in the fields of nutrition and housing.

There were lengthy reviews of the world economic situation and of such difficulties as exchange control, tariff barriers and the business cycle. New studies were initiated of standards of living, population, costs of transport, and the effect of taxation on the standard of living. Indicative of the far-reaching nature of the League's technical services was the decision to call a conference next April at Geneva for the "unification of signals at level crossings." A larger undertaking is a conference on rural life in Europe to meet next July. Its purpose is to explore the possibilities of gaining for the hard-working peasantry of Europe a reward commensurate with their industry.

8,000 Words of Resolutions

Finally the League Assembly approved about 8,000 words of resolutions. Some embodied the decisions outlined above. Most of them merely expressed approval of the work of some committee or "took note" of a proposal made by a delegate or a bureau of the League.

On the whole the discussions and resolutions were not a very impressive achievement for a world gathering of several hundred delegates and learned authorities, including prime ministers and foreign ministers, and representative of 49 nations. A meeting of the International Chamber of Commerce could have got farther.

On important questions the League is powerless to speak. It must spend much of its time on less important, less critical matters. Occasionally its discussions get down to root causes of war and discontent. The world may some time reap the benefit of its studies in such fields.

Non-existent Pillars

The League of Nations is an edifice planned to rest upon two pillars:

First, the belief that it would be universal and include all nations, and that its decisions would represent the voice of the whole world.

Second, that it would be a "coercive" League. The technique defined in the covenant for dealing with acts of international lawbreaking would be automatic and binding upon all members.

Neither of these pillars is, in fact, in existence. The League includes 54 states. It does not include such important nations as the United States of America, Germany, Japan and Italy. No group can claim to speak for world opinion that does not speak for these nations.

And League obligations are not automatic and they are not binding. In letter and in theory they are. In practice only a few nations are willing today to accept the original interpretation of, say, Article 16 providing for joint sanctions against an aggressor.

How forceful would be the rules of any game if each player felt entitled to interpret the rules according to his own ideas.

The League, then, is an edifice resting on two imaginary foundation pillars. The only kind of a building that floats on nothing is a fairy castle. And so far as a large part of its political powers are concerned the League is a fairy castle.

Fortunately some of the outbuildings are not fairy castles. They are well and solidly built. These are the technical, social and humanitarian services.

Broadening Out

The League is seeking to broaden its power and recover its prestige by moves in three new directions.

1. It will participate in the World's Fair at New York and it has appropriated 1,200,000 francs (about $300,000).
2. Denied the right to act as the peaceful arbiter of major quarrels between nations, it is seeking to study the roots of wars. Hence its emphatic examination of the business cycle, of standards of living, of problems of population pressure.
3. It is endeavoring to bring non-member States more and more into its work. They cannot send delegates to its meetings but they can and are in many cases willing to co-operate in economic and social studies and service operations. The Council decided, for instance, that copies of the amendments proposed to the League Covenant would be sent to U. S. A., Brazil, Costa Rica, Germany, Guatemala, Honduras, Japan and Nicaragua (which are not members of the League).

It decided to send to non-member States invitations to participate more fully in the technical and non-political work of the League. Invitations went to the nations just mentioned plus Saudi Arabia, Iceland and Liechtenstein.

Several non-member States support the International Court and the International Labor office. The United States in particular gives great help in many technical studies.

Danger of Forgetting

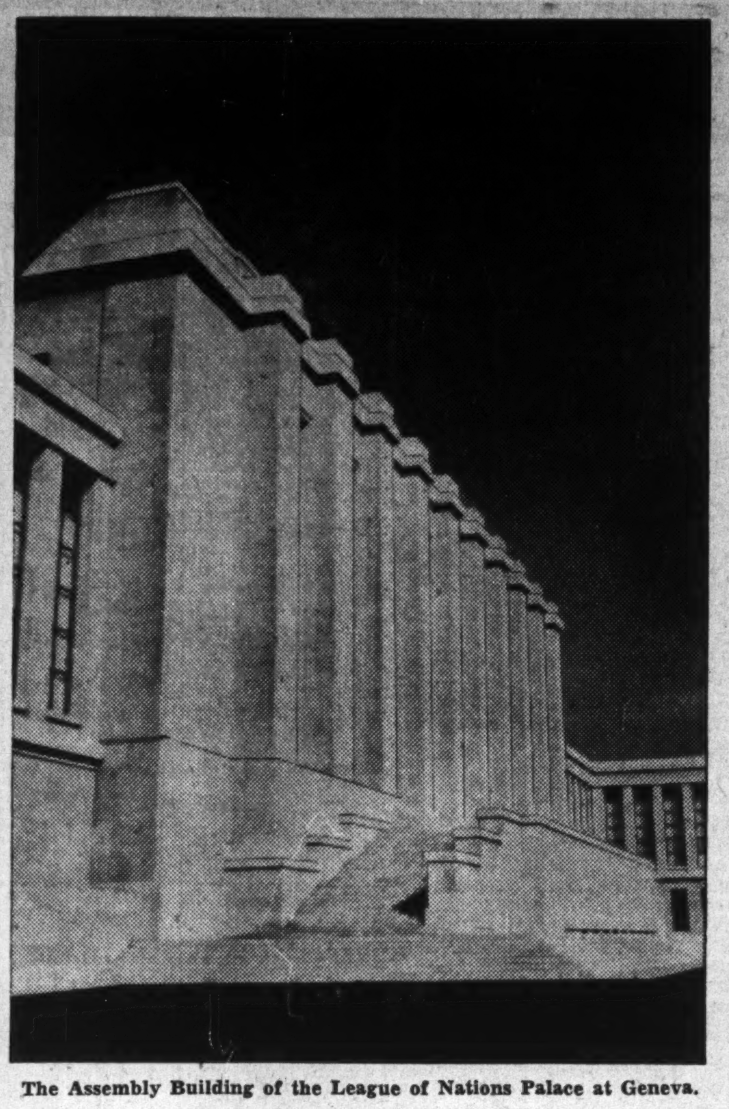
Concluding the League sessions, the president of the Assembly said:

"There is, I think, a danger in times like these that the world at large may forget or overlook the useful and beneficial activities of the organs of the League in many fields. But, at the close of a session like this, in which we here have all been engaged in actual work upon them, I do not need to dwell at any length upon the nature, or the scope, or the value of the many services which the League of Nations renders and can render in increasing measure to all peoples.

"I believe that upon the foundation of this League of ours, with all its acknowledged shortcomings and even with those failures of which we are most conscious, we can raise a sound structure for the future. Let us bend our efforts, therefore, toward perfecting the instrument which we have at our hand, and let us fashion it to new circumstances and new needs. In that way lies the hope that, in spite of present problem and difficulties, the confidence which, 20 years ago, was reposed in the League may be justified and fulfilled."

There was a wistful note in those words. The League still struggles to survive the storms of a mad and war-like world, in which savage leaders seek to re-establish anti-religious tribal states. The League suffers, as do the peoples of all nations, from the kind of world it lives in and it cannot move rapidly in rebuilding that world. In the meantime it does the best it can.

In the concluding article of this series I shall discuss plans for the "reform" of the League Covenant.



The Assembly Building of the League of Nations Palace at Geneva.

Higher Income Gives Alberta Large Surplus

Reports Over-all Budget Improvement of $2.7 Millions

DEBT DOWN

Buoyant revenue as a result of increased taxation and betterment in business conditions resulted in marked improvement in the budget position of the Province of Alberta in the year ended March 31, 1938.

On an over-all basis, after providing for ordinary expenditures, relief and capital expenditures, the province had a surplus of over $1 million. This is a budget improvement of $2.7 millions for there was an over-all deficit of $1.6 million in 1936-37.

On ordinary account, before providing for relief there was a surplus of $4.8 millions, compared with $2.7 millions in 1936-37. Relief expenditures were $558,340 lower at $2,059,783 so that the surplus on income account amounted to $2,768,066 as against $77,852 in the previous year.

Revenue Up $3.3 Millions

Ordinary revenue was $3,384.759 higher, amounting to $24,127,805. The largest increases were recorded by collections of gasoline and fuel oil taxes, succession duties, automobile licenses, liquor profits and corporation taxes. Automobile licenses accounted for $1.9 million, compared with $1.1 million in the previous year. Succession duties increased from $342,841 to $1.3 million. The increase in this item is due to a large extent to duties on the estate of the late Senator P. Burns. Liquor profits were $190,000 higher at $2,590,000.

Ordinary expenditures, including relief, were $683,246 higher than in 1936-37, amounting to $21,359,739. Public welfare expenses increased $820,602, of which $210,000 was accounted for by old age pensions. General administrative costs increased $100,000 and highway expenses $300,000.

Debt Charges Lower

Debt charges show a further reduction, reflecting a full year's effect of the arbitrary cut in interest rates. The amount expended for this purpose in 1937-38 was $3,961,011, a decline of $499,436 from 1936-37. In 1935-36, interest charges totalled $6,630,490. In addition, $708,077 was provided for sinking fund in that year whereas only $3,522 was provided in 1937-38.

During the year the Government redeemed $1,126,732 provincial saving certificates, reducing the amount outstanding to $7,020,067.

As a result of the improved budget position there was a reduction in debt during the year, net general debt declining by $1,428,555 to $127,849,027. During the year the Government borrowed $319,450 from the Dominion Government, $400,000 from its sinking funds and $100,000 from the banks.

Comparative figures of revenue and expenditure and debt are given below:

Revenue and Expenditure
Years Ended March 31

Revenue	1938 $	1937 $
Subsidy	1,776,130	1,776,071
Taxes	8,694,405	7,400,267
Licenses	2,265,024	1,426,171
Fees	2,495,397	2,339,856
Fines & penalties	61,474	59,605
Trading activities	2,595,820	2,404,275
Miscellaneous	50,625	50,560
Refunds of exps.	5,059,521	3,895,674
Revenue-prod. assets	1,129,409	1,390,567
Total ordinary rev.	24,127,805	20,743,046
Expenditures		
Debt charges	3,961,011	4,460,447
Education	2,548,391	2,552,433
Legislation	232,993	193,676
General govt.	1,772,414	1,677,506
Miscellaneous	40,542	48,450
Justice dept.	783,886	749,133
Agriculture	428,625	465,769
Public domain	446,625	509,874
Public welfare	9,761,884	8,941,283
Highways	1,336,618	1,035,846
Commissions	47,159	30,776
Ordinary expenses	21,359,739	20,665,193
Income surplus▲	2,768,066	77,853
Less: Net capital exps.	1,684,572	1,717,420
Over-all surplus or deficit	1,083,494	*1,639,567

*Deficit. ▲Unemployment relief of $2,059,764 in 1937-38 and $2,618,124 in 1936-37 charged to income account.

Debt Position
As at March 31

	1938 $	1937 $
Funded debt	155,606,208	154,886,758
Less: Sinking funds	12,033,078	11,399,555
Net funded debt	143,573,130	143,487,203
Add: Unfunded debt	15,708,843	17,051,783
Less: Cash & invests.	2,266,556	1,808,045
Net funded & unfunded debt	157,015,417	158,730,941
Less: Income producing debt	29,166,390	29,453,359
Net general debt	127,849,027	129,277,586
Guaranteed debt	8,281,687	7,795,618

Prince Albert, Sask.—Cash receipts on taxes in the first nine months of 1938 were $190,229, according to an interim report of the finance committee, which compared with $188,889 in the similar period of last year.

for Christmas
BACHELOR CIGARS
100% Havana Filler
Boite nature in 10's and 25's attractively wrapped for the festive season

Canadian Life Companies Win Advertising Awards

At the annual meeting of the International Life Advertisers Association at Atlantic City, Canadian companies won 20 of the 108 awards for advertising produced since Sept., 1937.

Morgan S. Crockford, Excelsior Life Insurance Company, received the silver plaque representing the sweepstakes award in group 1. In group 2, Canadians received 11 of the 36 awards:

E. Morton, North American Life, newspaper advertising, printed sales materials; A. A. Morison, Dominion Life, direct mail and conservation; J. H. Castle Graham, London Life publications to policyholders and recruiting material; Clifford Elvins, Imperial Life, publication to policyholders; W. A. Shields, Confederation Life Association, newspaper advertising and recruiting material.

In group 3, Eustace Brock and D. R. Ferguson of the Great West Life received awards for newspaper advertising publications to agents and conservation material.

Audit Plan Approved By Class A Weeklies

A plan of circulation audit presented by the executive committee and manager was provisionally accepted at the 10th annual meeting of the class A weeklies of Canada in Toronto last week. It is expected that the audit will be in operation about the end of March. Four provinces were represented by the 25 members present. Lorne Eedy, St. Marys (Ont.) Journal-Argus, presided.

Executive committee for the new year was appointed as follows: Chairman, Bruce M. Pearce, Simcoe Reformer; secretary-treasurer, J. A. MacLaren, Barrie Examiner; George W. James, Bowmanville Statesman, and Lorne Eedy, St. Marys Journal-Argus; national advertising manager, J. T. Dutrizac, Toronto.

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Investment Information

THE FINANCIAL POST CORPORATION SERVICE brings dependable, accurate, up-to-the-minute information and facts right to your finger tips. It provides detailed investment information and a news service on industrial, public utility, mining, oil, life insurance, trust and loan, investment trust and real estate companies.

A Dividend Record, giving a cumulative record of dividends declared and paid by Canadian companies, is also part of the service.

By placing such complete investment information at your finger-tips, the service increases efficiency and saves you the time and expense of clipping and filing news items and preparing comparative statements.

A Service for Every Need

Services are available to fill the requirements of every financial organization. Special services on specific companies may also be secured by organizations or investors desiring to investigate a selected list of companies.

The Complete Service, covering all companies, is $20 a month.
Industrial Service only is $15 a month.
Service on mining and oil companies only is $10 a month.
Service on mining companies only is $7.50 a month.
The Dividend Record — $10 a year.

All information, news and record cards are of standard size — 6" x 9". Cabinets, complete with index guides, are available in oak, mahogany or walnut finish at $12, f.o.b. Toronto.

THE FINANCIAL POST
CORPORATION SERVICE
DOMINION SQUARE BUILDING 481 UNIVERSITY AVENUE
MONTREAL TORONTO

STOCK AND BOND MARKET QUOTATIONS

Toronto and Montreal Stock Exchange Quotations

The following table is confined to official prices for listed stocks, including curb market quotations. Where no transaction is recorded, bid and asked prices are given. For unlisted stocks, quotations by unlisted dealers are published. The Financial Post cannot accept any responsibility for such quotations.

WEEK ENDING NOVEMBER 28

Range 1938 High	Low	Div. R'te $	Nov. 26 Y'ld %	Stock	Sales	Last Nov. 21	Week end. Nov. 28 H	L	Cl'se
				A					
4.75	1.00	.	...	Abitibi	11423	2.87	3.00	2.25	2.75
33	8½	.	...	Do. pref. 6%	8482	24	24	19½	20¾
43	25	.	...	Do. pref. 7%	50	35	32	32	32
30	9	.	...	Do. cert. dep.	60	22¾	23¼	20	20
4½	4½	30c	...	Acadia Sugar	....	(3½ bid 4 asked)			
7	3	50c	10	Acme Glove	125	5	5	5	5
82	60	6.50	10.8	Do. pref.	....	(— bid 70 asked)			
11	8½	60+20c	8	Agnew Surp.	....	(9½ bid 10 asked)			
110	103	7	6.4	Do. pref.	26	110	110	110	110
16½	13½	.	...	Algoma Steel	195	15½	15	13½	14
67	65	.	...	Do. pref.	50	65	67	66	66½
5½	2	.	...	Alta. Pac. Gr.	170	3	2½	2½	2½
29	10½	.	...	Do. pref.	....	(20 bid 25 asked)			
140½	75	.	...	Aluminum	810	138½	140½	136	136
110½	107	6	5.5	Do. pref.	....	108 bid 112½ asked			
3	2	.	...	Amal. Electric.	50	2½	2½	2½	2½
30	25	.	...	Do. pref.	....	(25 bid 40 asked)			
26½	23	80c	2.6	Amer. Cyn. B.	....	(23 July 7)			
116	47	2+3	4.8	Asbestos	1926	104	103½	98	98
16½	11½	80+25c	6.3	Assoc. Brew.	121	16½	16½	16	16½
114	106	7	6.2	Do. pref.	....	(113½ bid — asked)			
6½	6½	.	...	Assoc. T. & T.A.	....	(— bid 8 asked)			
43½	34	1.26	...	Do. pref.	....	(— bid 37½ asked)			
101	100	5.50	5.5	Ault & Wiborg.	....	(101 bid — asked)			
				B					
166	160	8	4.9	Bk. Can. Nat.	19	164	162	162	162
223	195	8	3.7	Bk. Montreal	116	216	215	212	212½
310½	290	12	4	Bk. N. Scotia	62	300	305	300	300
249	227	10	4.3	Bk. Toronto	33	235	234	233	233
6	5	.	...	Barcelona	....	(4½ bid 14 asked)			
6	4½	.	...	Barker's Bread	....	(4 bid 5 asked)			
40	30	2.50	8.3	Do. pref.	....	(— bid 45 asked)			
11½	6½	25c	...	Bathurst Pr.	1483	8½	9½	8½	8½
5	2	.	...	Do. (B)	108	2½	4	3½	3½
2½	1	.	...	Bawlf Grain	615	1½	1½	1½	1½
29	12	.	...	Do. pref.	....	(15 bid — asked)			
2	2	.	...	Beath & Sons	....	(2 bid 3 asked)			
15	6½	.	...	Beatty Bros. A.	....	(8 bid 8½ asked)			
106	90	6	6	Do. pref.	26	101½	103	100	103
105	85	7	8.2	Do. 2nd pref.	....	(96 bid 99 asked)			
5½	2	.	...	Beauharnois	1484	3½	3½	3	3
97	97	4	4.1	Belding Cort.	....	(— bid 100 asked)			
135	129	7	5.3	Do. pref.	....	(131 bid — asked)			
168	146½	8	4.8	Bell Telephone	1131	167½	168	166½	167½
11½	6½	50+12½c	7	Biltmore Hats	135	8½	8	8	8
5	3	.	...	Blue Ribbon	70	3½	3½	3½	3½
35	25	2	6.4	Do. pref.	175	31	32	29½	29½
25	21	1.30	5.2	Brant. Cord. pf.	25	24½	24½	24½	24½
14½	7½	1	9.3	Brazilian Tr.	8148	10½	11	10½	10½
7½	3	50+50c	...	Brew. & Distil.	100	4½	4½	4½	4½
6	5½	30c	6	Bright, T. G.	....	(6½ bid — asked)			
80	77	6	7.8	Do. pref.	....	(80 bid 90 asked)			
22	16½	1	4.6	Brit. Amer. Oil	6575	21½	21½	21	21½
16	9	.	...	B. C. Packers	71	12½	12½	12	12½
34	25	2	7.3	B. C. Power A.	752	27½	27¾	27	27½
5½	3	.	...	Do. (B)	430	3	3½	3	3½
5½	2½	.	...	Bruck S. Mills	60	4	3½	3½	3½
60½	37	2+50c	4.2	Building Prod.	2435	58	60½	58½	60
14½	9½	60c	4.4	Burlington St'l	80	12½	13½	12½	12½
3½	2	.	...	Burry Biscuit	....	(— bid 4½ asked)			
*60	30	3	...	Do. pref.	....	(38 bid — asked)			
28½	26½	1.20	4.4	Burt, F. N.	324	27	28	27	28
				C					
85	82½	.	...	Calgary Power	30	85	82½	82½	82½
93	83½	6	6.4	Do. pref.	10	90	93	93	93
7	2	.	...	Canada Bread	125	4	4½	4	4½
94	80	5	5.3	Do. pref.	6	94	94	94	94
52	40	2.50+12½c▲	5	Do. pf. B.	4	52	50	50	50
9	3½	40c	10	Canada Bud	825	4	4½	4	4½
13	7	.	...	Canada Cement	1145	9	9	8½	9
110	84½	4.50+2▲	...	Do. pref.	126	93	95½	92	93½
29½	23	50c+25c	...	C. & D. Sugar	836	28½	28½	28½	28½
b21½	12½	25c	...	Canada Dry	7200	17½	18½	16½	17
17	9	1.25	...	Can. Forg. (A)	135	13½	13½	11	11
10	7½	.	...	Do. (B)	....	(10 bid — asked)			
30	25	.	...	Can. Iron	2	30	25	25	25
70	62	5	8	Do. pref.	....	(62 Oct. 24)			
36½	27	1.50+50	6	Can. Malting	1550	34½	34½	33½	34½
20	16	1.20	7.3	Can. Nor. Pr.	161	16	16½	16	16½
112½	103	7	6.4	Do. pref.	38	110	110	109	109½
72	58	3	4.4	Can. Packers	....	(68 bid 70 asked)			
*7	1½	.	...	Can. Pav., pf.	....	(— bid 1½ asked)			
150	128	8	5.8	Can. Perman.	71	138	139	138	138
7	6	50c•	...	Can. Starch	100	6½	6½	6½	6½
108	105	7	6.5	Do. pref.	....	(105 bid — asked)			
4½	1½	.	...	Can. Steamsh's.	348	2½	2½	2	2½
16½	6½	50c•	...	Do. pref.	604	10	10	8	8
17½	12	1.20	7.7	Can. Vinegars	117	15½	15½	15½	15½
67	47	.	...	Can. W. Cable	35	60	60	57	57
22	15	.	...	Do. (B)	5	20½	20½	20½	20½
105½	96½	6.50+10▲	...	Do. pref.	50	103½	105½	104½	105½
3	1½	.	...	Can. Bakeries	....	(1½ July 25)			
40	25	.	...	Do. pref.	210	34	40	39	40
180½	157	8	4.6	Can. Bk. Com.	187	175	176	172½	172½
2.50	.90	.	...	Can. Breweries	1305	1.50	1.50	1.35	1.50
22	14	2	10.2	Do. pref.	35	20½	19½	19½	19½
41	28½	1.50+50	5	Can. Bronze	50	39½	38	38	38
106	102½	5	4.8	Do. pref.	....	(104 bid — asked)			
6	4	.	...	Can. Canners	35	4½	4½	4½	4½
19	15½	1	5.4	Do. 1st pfd.	150	18½	18½	18	18
9	6½	60c	8	Do. 2nd pfd.	145	7½	8	7½	7½
18½	7½	.	...	Can. Car & Fd'y	4242	16½	16½	15	15½
32	18½	1.75	5.7	Do. pref.	1967	31	31½	30	30
20	9	.	...	Can. Celanese	330	15	14½	14	14
107	8	7	6.9	Do. pref.	64	100	102	102	102
20	15	1	...	Do. Rights	9	18½	18½	18½	18½
10½	6	.	...	Can. Convert.	5	7	7	7	7
76	63	4	6.2	Can. Cottons	....	(66 bid — asked)			
108	99	6	6	Do. pref.	10	100	100	100	100
35	15	.	...	Can. Dredge	220	21½	21½	21	21½
106	100	6	5.7	Can. Fairb., pf.	....	(105 bid — asked)			
19	6	.	...	Can. For. Inv.	395	12	13	10	10
105	100	8	8	Do. pref.	....	(— bid 103 asked)			
194	170	6	3.2	Can. Gen. Elec.	....	(— bid 225 asked)			
8½	7½	50c	6.2	Can. G. Inv.	....	(7½ bid 8½ asked)			
4½	1½	10c	...	Can. Ind. Alc.	545	2½	3	2½	2½
4	1½	10c	...	Do. (B)	445	3	2½	2½	2½
224	178	4.50	2	Can. Indust. B.	5	220	224	224	224
165	155	7	4.2	Do. pref.	....	(167 bid 170 asked)			
1.00	.50	.	...	Can. Int. I. Tr.	....	(— bid 1.00 asked)			
*90	70	4.25	...	Do. pref.	....	(— bid 61 asked)			
16½	13	1	6.2	Can. Lt. & Pr.	135	15½	16½	14½	14½
10½	5½	.	...	Can. Locomo.	....	(— bid 9 asked)			
1.65	.75	.	...	Can. Marconi	660	1.10	1.10	1.05	1.05
16	10	50+12½c	4	Can. Oil	855	15	15	14	14
123	110	8	6.8	Do. pref.	55	115	118	117	118
8½	5	.	...	Can. Pacific	10264	6½	6½	5	5½
2.50	.50	.	...	C. Pr. & Pa. In.	100	1.00	1.00	1.00	1.00
10	3	.	...	Do. pref.	....	(4½ bid 5½ asked)			
12½	3	.	...	Can. Vickers	651	10	10½	9	9
50	15	.	...	Do. pref.	15	43	44	42	42
12½	8	1	...	C. Wallpaper A.	....	(10 bid 19½ asked)			
12	12	1	...	Do. (B)	....	(12 bid 15 asked)			
58	50	2	3.5	Can. West'ho'se	....	(53 bid 54 asked)			
3.90	1.95	15c	...	Can. Wineries	200	3.00	3.00	2.75	3.00
21	17	1.50	7.5	Can. Wire Box	110	19½	20	19½	19½
3.15	1.00	.	...	Capital Estates	461	1.15	1.25	1.05	1.25
105	98½	5	4.8	Carnation, pfd.	45	104½	105	105	105
6½	3	50c	...	Catelli Food	10	5	4½	4½	4½
11½	7	75c	6.5	Do. pref.	....	(— bid 11½ asked)			
2	1½	.	...	Celtic Knit.	....	(1½ bid — asked)			
170	170	8	4.7	Cent. Can. L'n.	....	(— bid 175 asked)			
105	98	4+1	4.8	Chartered Trust	....	(95 bid — asked)			
.95	.25	.	...	Chem. Research	2675	.82	.78	.72	.72
.70	.25	.	...	City Gas & El.	....	(.35 bid .40 asked)			
.35	.10	.	...	Claude Neon	25	.15	.10	.10	.10
1.35	1.00	12c	10	Coast Brew.	1400	1.25	1.23	1.20	1.20
13½	6½	.	...	Cockshutt Plow	1327	8	8½	7½	7½
1.85	.90	.	...	Comm. Alcohol	1050	1.30	1.45	1.25	1.25
4½	4	40c	8.9	Do. pref.	....	(4½ bid 4½ asked)			
5	4	20c	...	Conduits Nat.	....	(2½ bid 4 asked)			
17	11½	1	6.2	Cons. Bakeries	5	16½	16	16	16
9½	3½	.	...	Cons. Paper	7556	7½	7½	6½	6½
15	6½	90c	...	Cons. Press	....	(— bid 10½ asked)			
82½	70	3.50	...	Cons. Sand, pf.	....	(70 bid 90 asked)			
66½	45½	50c+50c	1.6	C. Smelters	5882	63	63½	59½	59½
199½	173	10	5.5	Consumers' Gas	179	176	180	177	179
82	45	.	...	Corr. P. Box, p.	15	45	45	45	45
24	16	1+25c	5.4	Cosmos Imp.	115	23½	23	23	23
105	101½	5	4.8	Do. pref.	....	(105 bid — asked)			
20½	16½	1	5	Crown Cork	25	20	18½	18½	18½
3	1½	.	...	Crown Dom. Oil	....	(1½ bid — asked)			
39	27	3	9.7	Crow's N. Coal	11	30½	30½	30½	30½
3½	3½	.	...	Cub Aircraft	1740	..	3½	3½	3½
				D					
14	3	60c+20c	7	David & Fre. A	100	12	12	12	12
3.50	.50	.	...	Do. (B)	25	2.50	2.25	2.25	2.25
14½	5	.	...	De Havilland	110	11	10	10	10
80	65	.	...	Do. pref.	....	(— bid 75 asked)			
3	3	.	...	Disher Steel	....	(2½ bid 4½ asked)			
*18½	15½	50c	...	Do. pref.	....	(— bid 14 asked)			
23½	11	1.50	...	Distill-Seagram	4050	21½	21½	19½	20½
91	66½	5	5.5	Do. pref.	220	91	91	88	88
		.	...	Dom. Ang. Inv.	....	(— bid 69 asked)			
*95	95	5	...	Do. pref.	....	(79 bid 84 asked)			
216	189	10	4.8	Dom. Bank	122	207	207	205½	205½
39½	21	1.20	3.4	Dom. Bridge	1190	35½	36	33½	33½
20	15	1.50	8.4	Dom. Coal, pf.	330	17½	17½	17	17
48½	21	50c	...	Dom. Engineer.	....	(— bid 45 asked)			
56	21	1.30	2.6	Dom. Foundries	428	49	50½	48	48½
104	98	6	5.8	Do. pref.	....	(100½ bid — asked)			
110	96½	5	4.8	Dom. Glass	215	107½	107	105	105
150	142½	7	4.8	Do. pref.	5	147	145½	145½	145½
32½	30	.	...	Dom. Oilcloth	....	(34 bid 35 asked)			
2.00	.75	.	...	Dom. Scot. Inv.	5	1.00	.80	.80	.80
33	29	2.50	...	Do. pref.	....	(30 bid 32 asked)			
16½	8½	.	...	Dom. St. & C.B.	8059	11½	12	10½	10½
8½	4½	.	...	Dom. Stores	425	6	6½	6	6½
10	4½	.	...	Dom. Tar & Ch.	640	6½	6½	5½	5½
85	71	3.50	6.9	Do. pref.	10	76½	79	77	79
70	58	5	8.2	Dom. Textile	245	64	61½	61½	61½
150	135	7	5	Do. pref.	1	145	140	140	140
6½	3½	.	...	Donnacona P.A.	747	6½	6½	5½	5½
7½	3½	.	...	Do. (B)	230	7	5½	5½	5½
8½	4	.	...	Dryden Paper	1215	6½	6	5	5½
				E					
1½	½	.	...	East. Koot. Pr.	....	(— bid 2 asked)			
12	5	.	...	Do. pref.	10	12	10	10	10
1.35	.55	.	...	East. Dairies	....	(.90 bid 1.00 asked)			
8	3½	.	...	Do. pref.	....	(4 bid 6½ asked)			
18	12	1	5.8	East. Steel	10	17	17½	17½	17½
107	99	7	6.7	Do. pref.	....	(— bid — asked)			
54	54	7	12.9	East. Theat. pf.	....	(60 bid 69 asked)			
5	2½	.	...	Easy Washing	100	4	3½	3½	3½
32	24	2	...	Economic Inv.	....	(27 bid 30 asked)			
17	11½	1.60	10.8	Electrolux	800	14½	15	14½	14½
3½	1½	.	...	Enam. & Heat.	....	(2 bid — asked)			
34	24	2.50	7.8	English Electric	265	33	34	31½	33
14	5	.	...	Do. (B)	560	7	7½	7½	7½
8	5½	.	...	Equitable Life	55	6½	7	6½	6½
8	6	60c	8	European El. A.	....	(— bid 7½ asked)			
.10	.01	.	...	Do. Warrants	....	(.01 bid — asked)			
				F					
8½	3	.	...	Fairchild Air.	2230	6½	6½	6	6
24½	20	45c	...	Fam. Players	4	24	20	20	20
24½	18	45c	...	Do. Vot. Tr.	....	(— bid 18 asked)			
22½	14½	1+25c	5.9	Fanny Farmer	2555	21	21½	20½	21½
15	4½	.	...	Fleet Aircraft	800	11½	11½	10	10
5	3	.	...	Fleury Bissell	....	(3½ bid 4 asked)			
43	30	.	...	Do. pref.	5	40	37	37	37
24½	14½	1	4.4	Ford Motor A.	3819	22½	22½	20	21
.50	.25	.	...	For. Pr. Secs.	50	.25	.25	.25	.25
16	8½	50c†	...	Foundation Co.	....	(11½ bid 12 asked)			
20	9	.	...	Fraser Cos.	190	15½	15½	15	15
21½	10	.	...	Do. Vot. Tr.	2515	17½	17½	15	15½
40	37	.	...	Freiman, pf.	....	(36 bid 40 asked)			
				G					
14½	6½	20c*	...	Gatineau Pwr.	453	13½	14	13	13
90	74½	5	5.5	Do. pref.	504	89½	89½	87	89
5½	3	.	...	Do. Rights	330	4½	4½	4	4
10½	5	.	...	Gen. St. Wares	2382	8½	8½	7½	7½
94	45	3.50	...	Do. pref.	135	85	89½	85	85
81½	52	2.50+5	9	Goodyear Tire	312	74	81½	74½	80
59	51	2.50	4.5	Do. pref.	192	55½	56½	55½	56
9½	7	.	...	Gt. Lakes Pap.	....	(6 bid 7½ asked)			
23½	18	.	...	Do. pref.	10	21½	18	18	18
13	4½	.	...	Do. Vot. Tr., c	81	7½	7½	6½	6½
33	14	.	...	Do. Vot. Tr., p	224	17	17½	16	16
2½	1	.	...	Gt. W. Saddlery	50	1	1½	1½	1½
25	18	75c	...	Do. pref.	....	(— bid 22 asked)			
12	9½	60c	5.1	Greening Wire	....	(11 bid 11½ asked)			
..	..	10c	...	Growers' Wine	....	1.00 bid 1.35 asked			
8½	5	†30c	...	Gurd, Chas.	15	6	6½	6½	6½
106	102	7	6.7	Do. pref.	....	(105 bid 108 asked)			
8½	4	.	...	Gypsum, Lime	1225	6½	6½	5½	6
				H					
9½	5	.	...	Ham. Bridge	....	(6 bid — asked)			
53	29	.	...	Do. pref.	....	(— bid 40 asked)			
34	27	2+50▲	6.7	Ham. Cot., pf.	....	(— bid 30 asked)			
1.50	.60	.	...	Ham. U. Theat.	210	1.00	1.00	.60	1.00
55	48	6	11.8	Do. pref.	60	51	52	52	52
4	2½	20c	...	Harding Carpet	....	(3 bid 3½ asked)			
*5	2½	.	...	Hillcrest Coll.	....	(— bid 2½ asked)			
1.50	1.50	.	...	Do. pref.	....	(1.75 bid 15 asked)			
17½	13½	1	...	Hinde & Dauch	60	16	16½	15½	15½
20	20	.	...	Holt Renfrew	....	(20 Mar. 21)			
50	50	.	...	Do. pref.	....	(— bid 55 asked)			
2.87	1.00	.	...	Home & Ind. P.	....	(— bid 1.00 asked)			
.60	.25	.	...	Honey Dew	....	(.30 bid .50 asked)			
14	8	.	...	Do. pref.	....	(10 bid 14 asked)			
18	9	.	...	H. Smith Pap.	121	14½	15	14	14
99	90	6	6.1	Do. pref.	129	98½	99	98	98
25	12	1.75	11.7	Humberstone S.	48	15	15	15	15
12	5	.	...	Hunts (A)	....	(— bid 5 asked)			
10	3	.	...	Do. (B)	....	(3 bid 5½ asked)			
75	57	4	6.7	Huron & E. Mt.	10	60	67	67	67
10	6½	80c	...	Do. 20% pd.	10	8½	9	7	9
4	3	20c	...	Hydro Electric	5	3	4	4	4
				I					
215	190	10	4.8	Imperial Bank	147	205½	208	206	207
19½	14½	50+75c	7	Imperial Oil	12573	17½	17½	17½	17½
16	13	40+22½c	4	Imperial Tob.	4325	15½	15½	15½	15½
8	6½	6%	...	Do. pref.	5	7½	7½	7½	7½
32½	23	2	6.3	Indust. Accept.	35	32	32	31½	31½
35	19½	3	9.4	Inter-City Bak.	25	34	32	32	32
45	38	6+2	...	Inter'c Coal	....	(40 bid 50 asked)			
126	119½	8	6.7	Do. pref.	....	(119½ Nov. 21)			
23	17	1.50	8.8	Inter. Bronze	....	(17½ bid — asked)			
30	23½	1.50	5.7	Do. pref.	450	25	26½	26	26½
.20	.20	3c	...	Int. Coal & Co.	....	(.20 bid — asked)			
b9½	3½	.	...	Int. Hyd. E. A.	5700	7½	7½	6½	6½
9½	4	.	...	Int. Metal Ind.	230	7	7½	7	7
83	60	6	7.5	Do. pref.	130	82½	80	80	80
80	68	6	7.5	Do. pref. A.	85	80	80	77	77
105½	98½	5	4.8	Int. Mill., pf.	267	105½	105	105	105
58	37	2	3.8	Int. Nickel	12126	53½	54½	51½	52
4½	1½	.	...	Int. Paints	....	(— bid 4 asked)			
15	10	1+25c▲	...	Do. pref.	2	13	13	13	13
b15½	4½	.	...	Int. Pap. & P.	20800	13½	13½	11	11½
b52½	18½	.	...	Do. pref.	11500	47½	47½	42½	43½
31½	22	1.50+1	9	Int. Pete.	10626	28½	28½	27½	27½
5½	2	.	...	Int. Power	....	(3 bid — asked)			
85½	71	6	7.7	Do. pref.	32	79	78	78	78
11½	10½	1.12	...	Int. St. Rlty. A.	25	11	11½	11½	11½
4	3½	.	...	Do. (B)	....	(— bid 4 asked)			
9½	5	.	...	Int. Util. (A)	40	8½	7½	7½	7½
1.00	.40	.	...	Do. (B)	600	.70	.65	.60	.65
				J, K, L					
37	22	1.75	5	Jam. Pub. Ser.	....	(36 bid 38 asked)			
130	121	7	5.5	Do. pref.	....	(127 bid 130 asked)			
15½	10	75c	...	Kelvinator	....	(— bid 14 asked)			
34	13	.	...	L. St. John Pr.	30	24	24	24	24
13	2	.	...	Lake Sulphite	95	3	3½	3	3½
18½	10	.	...	Lake of Woods	465	16	16	15½	15½
120	100	7	6.4	Do. pref.	12	110	110	108	108
65	55	5	8.8	Landed Bank	....	(57 bid 65 asked)			
14	9	70c	5.8	Lang, J. A.	....	(— bid 13 asked)			
3	2½	.	...	Langley's	....	(— bid 4 asked)			
30	30	2.50▲	...	Do. pref.	....	(25 bid 47 asked)			
14½	12½	80c	6.2	Laura Secord	3365	13	13	12½	12½
11	6	.	...	Legare, pref.	....	(— bid 9½ asked)			
5	2½	.	...	Lindsay, C. W.	....	(4 bid 5½ asked)			
*78	60	4▲	...	Do. pref.	....	(— bid 64 asked)			
24½	19½	1+25	5.2	Loblaw (A)	563	24	24	23½	23½
24½	18	1+25	5.7	Do. (B)	610	22½	22	21½	21½
				M					
1.40	.40	.	...	Mackenzie Air.	....	(.50 bid .70 asked)			
3	2½	.	...	MacKin. Steel	....	(2½ bid — asked)			
70	65	7	...	Do. pref.	....	(62 bid — asked)			
18	7	.	...	Maclaren Pr. p.	395	16	16	14½	14½
4	2½	.	...	M. L. Gardens	....	(3½ bid 4½ asked)			
7½	4	70c	10.5	Do. pref.	....	(6 bid 7½ asked)			
3½	1½	.	...	Maple Leaf	135	1½	1½	1½	1½
6	2½	.	...	Do. pref.	152	4	4½	3½	3½
15½	15½	70c	4.4	Maritime Tele.	....	(16½ bid — asked)			
*16½	16	70c	...	Do. pref.	....	(17½ bid — asked)			
15	15	.	...	Marcus Loew's	....	(12½ bid — asked)			
115	115	7▲	...	Do. pref.	....	(115 Sept. 9)			
10½	4½	.	...	Massey-Harris	3090	6½	6½	6	6
63	28	.	...	Do. pref.	625	53	53½	50½	50½
14	6½	.	...	McColl Fron.	776	7½	8½	6½	7
101	83	6	6.4	Do. pref.	130	93	94	93	93
2.63	1.25	.	...	Melchers	10	1.50	1.50	1.50	1.50
7½	5	60+20c	...	Do. pref.	....	(6½ bid 7½ asked)			
2½	2½	.	...	Mercury Mills	....	(— bid 2 asked)			
19½	5	.	...	Do. pref.	....	(6½ bid 10 asked)			
50	50	2	4	Mitchell, J. S.	....	(50 bid — asked)			
112	109	7	6.2	Do. pref.	....	(112 bid — asked)			
21	7½	.	...	Mitchell, Robt.	485	17	17	15	15
*5½	4	.	...	Monarch Knit.	....	(— bid 2 asked)			
*86	50½	.	...	Do. pref.	....	(— bid 25 asked)			
40	35	2	5.2	Montreal Cot.	....	(— bid 40 asked)			
106	95	7	6.8	Do. pref.	....	(103 bid — asked)			
1.00	.70	.	...	Mont. Is. Pr.	....	(.25 bid .26 asked)			
31½	25½	1.50	4.9	Mont. L. & Pr.	4884	30½	31	30	30½
29	27	2	7.4	Montreal Loan	135	27	27	27	27
1.50	1.00	.	...	Mtl. Refrig. & S	....	(1.00 bid — asked)			
14	13½	.	...	Do. pref.	....	(14 bid — asked)			
62	55½	3.20	5.5	Montreal Tele.	25	58	59	58	58
90	68	9	12.5	Montreal Trams	100	71	72	70	70
38½	25	1.60+40c	5	Moore Corp.	260	37½	37½	37	37½
172	135	7	4.4	Do. pref. (A)	50	161	160	160	160
230	179½	7	3.1	Do. pref. (B)	1	223	225	225	225
.50	.10	.	...	Muirheads	....	(.10 bid .50 asked)			
4	2½	.	...	Do. pref.	....	(— bid 3 asked)			
				N					
43	34	2	4.7	Nat. Breweries	1367	43	42½	42	42
44	38	1.75	4	Do. pref.	403	44	44	44	44
7½	3½	.	...	Nat. Grocers	310	7	6½	6½	6½
126½	115	7	5.8	Do. pref.	....	(124 bid 130 asked)			
20	10	.	...	N. Sew. Pipe A.	375	14½	13½	13½	13½
72½	31	2	2.9	Nat. Steel Car	8352	66	68½	64½	65½
210	190	8	4.2	National Tr.	13	190	190	190	190
34	20	1	4	Niag. W. Weav.	....	(— bid 26 asked)			
1.50	1.00	.	...	North Star Oil	....	1.00 bid 1.50 asked			
3½	3	35+8½c▲	10	Do. pref.	300	3½	3½	3½	3½
96	93	6	6.2	N. S. L. & Pr.	....	(96 bid — asked)			
106	104	6	5.7	Do. pref.	....	(106 bid — asked)			
15	9	.	...	N. S. Steel, pf.	....	(13 Aug. 11)			
				O					
31	23	1	3.6	Ogilvie Flour	358	28½	29	27	27½
158	145	7	4.4	Do. pref.	....	(157 bid — asked)			
110	103½	5	4.5	Ontario Loan	10	110	110	110	110
*7½	4½	.	...	Ont. Silknit	....	(— bid 5½ asked)			
19	17	.	...	Do. pref.	....	(— bid 15 asked)			
12	5	50c	...	Ont. Steel	30	8½	8½	8½	8½
114	95	7	6.7	Do. pref.	....	(— bid 105 asked)			
2	1	.	...	Orange Crush	505	1½	1½	1½	1½
6	3	70c	12.7	Do. pref.	7	4½	5½	5	5½
55	24	†1	...	Ottawa Car	....	(— bid 51 asked)			
36	8	.	...	Ottawa El. Rly.	....	(8½ bid 15 asked)			
87	76	6	7.8	Ott. L. H. & Pr.	95	80½	77	76	77
101½	97	5	5.1	Do. pref.	10	98	99	99	99
				P, Q, R					
20	10	.	...	Pacific Coyle	1505	10	15	15	15
105	77½	4+25c	4	Page Hersey	280	104½	104½	100	100
7½	4	.	...	Pantepec Oil	210	6	6	5½	6
16	15	.	...	Paton Mfg.	....	(4½ bid 24 asked)			
100	100	7	7	Do. pref.	....	(— bid 110 asked)			
55	42	3	6.8	Penmans	160	45	45	44	44
130	122	6	4.6	Do. pref.	....	(— bid 130 asked)			
19	15	1	...	Photo Eng.	....	(17 bid 18 asked)			
99½	95½	7	7.1	Porto Rico Pr. p	10	96½	98½	98½	98½
16½	9	60c	...	Power Corp.	715	13	13½	12½	12½
102	92	6	6	Do. pref.	57	102	101½	100	100½
45	43½	3	6.7	Do. 2nd pref.	....	(45 bid — asked)			
23	10	.	...	Pressed Metals	366	21	21½	20½	20½
22½	8½	.	...	Price Bros.	3095	19½	19½	16½	17½
63	34	.	...	Do. pref.	10	60	60	60	60
7½	5½	20c	3.1	Prov. Transport	10	7	6½	6½	6½
19	14	1	5.7	Quebec Power	276	17½	17½	17	17½
4½	3½	.	...	Quebec Tele.	5	4½	4½	4½	4½
40	37	2	5.4	Real Estate L'n	....	(35 bid 40 asked)			
9½	3	.	...	Regent Knit.	....	(4½ bid 5½ asked)			
25	20	1.60	7.3	Do. pref.	5	20	22	22	22
2½	1½	30c	...	Reinhardt Brew	....	(1½ bid 3 asked)			
7½	3	.	...	Reliance Grain	....	(2½ bid 4 asked)			
12½	10½	90c+*1%	...	Remington R'd.	....	(16½ bid — asked)			
27	18	2	7.4	River S. Mill	50	26½	27	27	27
4½	2	.	...	Rogers Majest.	15	2½	3	3	3
16	14½	1	6.2	Rolland Pap.	....	(16 June 25)			
18	10½	.	...	Do. Vot. Trust	50	13	13½	13	13
102½	95	6	6	Do. pref.	5	100	100	100	100
192	165	8	4.2	Royal Bank	115	188	190	188	189
70	60	6	...	Russell Indust.	....	(60 bid — asked)			
115	103	7	6.1	Do. pref.	....	(110 bid 115 asked)			
				S					
103	95	5.50	5.4	Saguenay Pr. p.	19	103	103	102½	102½
11	5	.	...	Sarnia Br. (A)	10	6	5	5	5
5	4	.	...	Do. (B)	....	(— bid 6 asked)			
23	16	80+5c	4.1	Shawinigan Pr.	1980	20½	20½	20	20
17	10	.	...	Sher. Wms.	30	12½	12½	12½	12½
120	100½	7	6.4	Do. pref.	25	110	112	110	110
2.50	.50	.	...	Silverwoods	....	1.75 bid 2.50 asked			
4½	1½	40c	9.4	Do. pref.	215	4	4½	4	4½
10½	7	95c	...	Simon & Son	690	8	8	7	7½
110	110	7	6.4	Do. pref.	....	(— bid 110 asked)			
18	8	.	...	Simpson, A.	20	13	11	11	11
8½	4	.	...	Do. (B)	5	4½	4	4	4
95	70	5+1▲	...	Do. pref.	90	84	83	81	81
118	105	6	5.2	Simpson, R., pf.	6	117	115	115	115
15	10	80c	6.7	So. Can. Pr.	130	12	12	12	12
109	103	6	5.5	Do. pref.	45	109	109	108	108
6½	2½	.	...	St. Law. Corp.	1605	5	4½	3½	4
20	8½	50c▲	...	Do. (A)	645	17	17	15½	15½
24½	17	1	4.5	St. Law. Flour	....	(— bid 22 asked)			
140	140	7	5	Do. pref.	....	(108½ bid 130 asked)			
58½	24	.	...	St. Law. Pap. p.	620	44	44	40	40
8	3½	.	...	Stand. Chem.	277	8	7	3½	3½
*14½	3	.	...	Stand. Clay	....	(— bid 3½ asked)			
4½	2	.	...	St. Pav. & Mat.	97	3	3½	3	3
34½	12	.	...	Do. pref.	75	30½	29½	26	29½
42	40	3+75c▲	7	Stand. Steel, pf.	....	(— bid 42 asked)			
17½	16	60+20c	4.8	Stedman Bros.	....	(17 bid 17½ asked)			
75½	56	1.75‡	5.3	Steel of Can.	712	71	71½	70	70½
70	55	1.75	2.6	Do. pref.	145	68	67	65½	65½
5	4	.	...	Sterling Coal	....	(4 bid 5 asked)			
.75	.10	.	...	Stop & Shop	....	(.15 bid .25 asked)			
10	10	80c	8	Stuart, D. A. pf.	....	(8 bid 10 asked)			
2½	1½	.	...	Supersilk H. A.	....	(2 bid 2½ asked)			
3½	2	.	...	Do. (B)	....	(3 bid 4 asked)			
79½	70	5	6.6	Do. pref.	....	(75 bid 80 asked)			
40	31	1+50c	3.7	Sup. Pete. ord.	....	(39 bid 40 asked)			
39	30	1+50c	3.8	Do. com.	....	(40 bid — asked)			
				T					
16	11	80c	6.8	Tamblyn	150	12½	12½	12½	12½
52½	52	2.50	4.7	Do. pref.	....	(52½ bid — asked)			
4	2	.	...	Thayers	2	4	3½	3½	3½
27	20	3.50	...	Do. pref.	....	(28 bid 39½ asked)			
.50	.25	.	...	Thrift Stores	....	(.10 bid — asked)			
2	1	.	...	Do. pref.	....	(1 bid — asked)			
13½	9	60+10c	6	Tip Top Tailors	....	(11 bid 12½ asked)			
109	100	7	6.5	Do. pref.	47	109	108	108	108
3	1	.	...	Tooke Bros.	....	(— bid 2½ asked)			
15	7½	.	...	Do. pref.	....	(8½ bid 15 asked)			
18½	11	.	...	Tor. Elevators	10	14½	15	13½	13½
48	40	2.62½	6	Do. pref.	50	44	45	44	44
90	73	4	4.6	Tor. Gen. Tr.	67	86	90	86	86
122	107	6	5.5	Toronto Mtge.	5	108	108	108	108
160	140	7	4.6	Tuckett Tob. p.	2	157	151	151	151
4½	3	.	...	Twin City	....	(— bid 10 asked)			
				U, V					
15½	10½	80c	6	Union Gas	2424	13½	13½	12½	12½
17½	12½	60c+15c	...	Un. Amuse. A.	....	(12½ bid 21 asked)			
13	13	60c+15c	...	Do. (B)	....	(9 bid — asked)			
1.60	1.25	.	...	Un. Cigar-W.	....	1.25 bid 1.50 asked			
1.15	.75	.	...	United Distill	....	(.75 bid — asked)			
43	30	2▲	...	United Fuel, pf.	184	37½	37½	37	37
18½	6	.	...	United Secs.	....	(— bid 7½ asked)			
8	3	.	...	United Steel	7270	7	7½	6	6½
3	1½	.	...	Viau Bisc.	150	2½	3	3	3
50	45	5	11.1	Do. pref.	10	45	45	45	45
				W, Y					
20	12	1+15c	7.3	Wabasso Cot.	5	15½	15½	15½	15½
54½	30½	4	7.8	Walker-Good.	3606	50	51½	49½	51
20½	17	1	5.1	Do. pref.	883	20½	20½	19½	19½
2.15	1.10	10c	...	Walkerville Br.	110	1.50	1.50	1.50	1.50
2.50	1.00	.	...	Waterloo Mfg.	....	1.00 bid 1.30 asked			
125	123½	7	5.6	W. Koot. Pr. pf	....	(125 bid — asked)			
5	2	.	...	West. C. Flour.	40	3½	3½	3½	3½
37	22	.	...	Do. pref.	5	28	27½	27½	27½
65	49½	3	5.3	West. Grocers	....	(— bid 60 asked)			
116	106½	7	6.6	Do. pref.	5	116	108	108	108
13½	9	80c	6.4	Weston Ltd.	611	12	12½	12½	12½
93	70	5	5.4	Do. pref.	41	91	92½	90	92½
4.00	.20	.	...	Windsor Hotel	....	(.15 bid — asked)			
8	3	.	...	Do. pref.	....	(3 bid — asked)			
3½	1½	.	...	Winnipeg El. A.	305	2	2	1½	1½
3	1	.	...	Do. (B)	71	2	1½	1½	1½
17	7	.	...	Do. pref.	13	10	12	9	10
93	65	7	...	Wood, A. & J. p	....	(65 bid 69 asked)			
50	30	.	...	Woods Mfg., pf.	....	(30 Oct. 18)			
4½	3½	.	...	York Knitting	60	4	4	4	4

* 1937.
▲ On account of arrears. b New York quotations.
‡ Plus extra of $2 paid Feb. 1, 1938.
• Initial. * Stock bonus. † Interim.

Mining Stocks

Par Val.	Range 1938 High	Low	Company	Sales	Close Nov. 21 (or last)	High for week	Low for week	Close Nov. 28
			A					
1	.07	.01	Afton	41,600	.03	.05	.02½	.04½
No	.70	.28	Aldermac	42,468	.51	.54	.47	.47
1	.03½	.01	Alexandria	500	.01½	.01	.01	.01
1	.33	.07	Amm. Gold	10,800	.12½	.12½	.11	.11
No	4.15	2.60	Anglo-Huronian	106	3.30	3.30	3.10	3.30
No	.02½	.01	Arno		(.01½ bid .02 asked)			
1	.33	.11	Arntfield	5,950	.14½	.14	.12½	.12½
1	.16½	.05	Ashley	7,000	.09	.09	.08½	.08½
1	.07	.02	Astoria Quebec	650	.04½	.04	.04	.04
1	.44	.17	Augite Porc.	21,550	.34	.34	.33	.33
50c.	.14	.04	Aztec	200	.06	.06	.06	.06
			B					
1	.27	.10	Bagamac	1,850	.12	.12	.10	.12
1	1.03	.30	Bankfield	8,850	.32	.32	.30	.31
1	.45	.20	Base Metals	1,750	.28	.33	.28	.29
No	1.50	.95	Beattie Gold	14,900	1.37	1.40	1.35	1.38
1	.39	.16	Bear Exploration	27,000	.28½	.31	.27	.27
1	.32	.10	Beaufor	7,350	.15	.16	.13	.13
1	.50	.20	Bidgood Kirk.	19,800	.28	.28	.26	.26½
1	.58	.20	Big Missouri	3,250	.25	.28	.21	.28
1	.31½	.09	Bobjo	88,200	.22½	.25	.20	.23½
1	.15	.05½	Bouscadillac G.M.	4,200	.12½	.11	.10	.10
No	10.25	7.75	Bralorne	4,203	9.65	9.85	9.60	9.80
1	.08	.03	Brazil Gold	3,000	.07	.05½	.05	.05
1	.12	.01½	Brett Trethewey	3,500	.01½	.01½	.01½	.01½
1	.69	.45	Broulau Porc.	13,000	.48	.50	.48	.48
1	.10	.02½	Brownlee	1,600	.05½	.05	.04	.04½
1	17.50	10.87	Buffalo Ankerite	840	14.25	14.50	14.25	14.25
No	.06½	.01½	Buffalo Can.	2,600	.02½	.02½	.02½	.02½
5	30.25	22.50	Bulolo Gold	1,050	24.00	23.50	23.00	23.37
No	.22	.05	Bunker Hill	2,000	.08	.09½	.09	.09
			C					
No	1.28	.65	Can. Malartic	5,057	.90	.99	.90	.97
1	.09½	.01½	Capital Rouyn	2,000	.02	.01½	.01½	.01½
1	2.60	1.65	Cariboo Gold	500	2.37	2.45	2.42	2.42
1	.15	.05	Cartier Malartic	1,300	.06	.06	.06	.06
1	1.19	.53	Castle Trethewey	11,250	1.05	1.05	1.00	1.00
1	.62	.18	Cen. Cadillac	29,450	.22	.29	.20	.23
1	3.20	1.85	Cen. Patricia	4,575	2.40	2.43	2.35	2.40
1	.15	.05½	Cen. Porcupine	1,000	.07½	.07½	.07½	.07½
1	1.73	.63	Chesterville	23,950	1.20	1.30	1.17	1.24
No	.82	.35	Chromium	6,800	.55	.58	.48	.48
5	4.00	1.25	Coast Copper	200	2.50	2.70	2.60	2.70
5	2.25	1.25	Coniagas	175	1.50	1.95	1.70	1.70
No	1.84	1.00	Coniaurum	6,300	1.50	1.55	1.45	1.54
1	.42	.19	Con. Chibougamau	2,900	.24	.25	.23	.23
25	66.75	45.37	Cons. Smelters	5,882	63.00	63.25	59.25	59.50
			D, E					
1	.23½	.05	Darkwater	300	.07½	.07	.07	.07
1	.46	.10	Denison Nickel	3,200	.17½	.18	.16	.16
No	35.00	27.50	Dome Mines	4,151	31.00	32.00	31.00	31.75
1	.07	.02½	Dom. Explorers	......	(.02½ bid .03½ asked)			
1	.26	.05	Dorval Siscoe	7,000	.09	.09	.07½	.08
1	.13	.03	Duparquet	27,800	.09	.09½	.08½	.08½
1	2.39	1.05	East Malartic	27,300	2.22	2.25	2.17	2.25
1	3.25	1.38	Eldorado	41,580	2.40	2.47	2.30	2.30
			F, G					
No	6.95	4.25	Falconbridge	2,060	5.50	5.70	5.40	5.50
1	.26	.11½	Faulkenham L.	19,700	.14	.18	.11½	.15
1	.14	.03½	Federal	21,150	.07½	.07½	.07	.07
1	.30	.08	Fernland	5,850	.15½	.15	.12½	.14
1	.20	.03	Fontana	2,000	.05	.06	.06	.06
No	.53½	.20	Francoeur Gold	4,550	.25	.27½	.25	.27
1	.32	.07	Gillies Lake	70,960	.13½	.13½	.11½	.11½
1	.05	.02	Glenora	1,500	.02	.02½	.02½	.02½
No	.68	.30	God's Lake	10,600	.35	.35	.31	.31
1	.40½	.14	Goldale	10,450	.20½	.24½	.20½	.21
50c.	.52	.30	Gold Belt	2,400	.50	.52	.50	.50
1	.40	.08	Gold Eagle	13,650	.09½	.10½	.09½	.10
1	.12	.02	Goodfish	20,500	.04	.04	.03	.03
1	.09½	.02½	Graham Bosquet	5,500	.05	.05	.04½	.04½
1	.14	.04	Granada Gold	10,034	.10½	.10½	.09	.09½
No	.11	.04½	Grandora	3,500	.05½	.05½	.04½	.05½
1	.10	.02½	Grull Wihksne	3,000	.04½	.04½	.04	.04
1	1.09	.48	Gunnar Gold	6,050	.64	.66	.64	.64
			H, I, J					
1	.04½	.02	Halcrow Swayze	......	(.02½ bid .02½ asked)			
1	.09½	.07½	Halliwell G.	4,700	.09	.08½	.07½	.08
1	2.93	1.10	Hard Rock	13,010	1.75	1.78	1.65	1.67
1	.17	.07	Harker	16,600	.09½	.09½	.09½	.09½
1	1.40	1.00	Hedley Mascot	500	1.30	1.39	1.31	1.39
5	15.87	11.00	Hollinger	3,905	14.75	14.87	14.12	14.75
1	.34	.20	Howey Gold	7,100	.25	.26	.24	.24
No	35.00	20.50	Hudson Bay	9,340	33.00	33.75	32.75	33.00
1	.49	.21	Inspiration	4,300	.35	.37½	.35	.35
1	11.70	7.00	Inter. Mining	......	(8.75 Nov. 1)			
No	58.00	37.00	Int. Nickel	12,126	53.87	54.25	51.50	52.00
1	.40	.10	Jacola	7,333	.11	.12	.10	.10½
1	.60	.23	Jack Waite	3,250	.32	.36	.32	.36
1	.82	.09½	Jellicoe	72,100	.10	.11	.09½	.09½
1	.17	.05	J. M. Cons. Gold	1,895	.07½	.09½	.05	.05
			K, L					
1	2.50	1.25	Kerr Addison	124,803	1.55	2.04	1.53	1.91
1	1.00	.35	Kerr Lake	......	(.50 bid .70 asked)			
1	.28	.06	Kirk. Gold Rand.	3,400	.14	.14	.12	.12
1	1.50	.26	Kirk. Hud. Bay	300	.50	.50	.50	.50
1	1.50	.88	Kirkland Lake	17,710	1.21	1.22	1.17	1.19
1	.23	.09	Kirk. Townsite	1,000	.12	.12	.12	.12
1	.59	.10	Laguna	2,650	.12	.13	.10	.12½
1	58.75	44.75	Lake Shore	4,824	50.25	51.00	49.63	50.37
1	.05	.02	Lamaque Contact	12,500	.03	.03	.02½	.02½
No	7.30	7.00	Lamaque Gold	100	7.10	7.00	7.00	7.00
1	.74	.24	Lapa Cadillac	2,400	.33	.33	.32	.33
1	1.13	.80	Lava Cap	1,800	.91	.87	.84	.87
1	.15	.04	Lebel Oro	12,900	.10	.10	.09	.09
1	1.12	.50	Leitch Gold	9,250	.72	.76	.71	.74
No	6.00	2.10	Little Long Lac	14,550	2.63	2.70	2.60	2.70
			M					
1	5.55	3.50	Macassa	7,730	5.30	5.40	5.20	5.30
No	4.45	1.30	MacLeod Cockshutt	14,807	3.00	3.20	2.95	3.10
1	.57	.25	Madsen Red Lake	9,780	.40	.44	.40	.43
1	.68	.23	Malartic Gold	150,950	.57	.68	.56	.63
1	.02	.00½	Malrobic	2,500	.00½	.00½	.00½	.00½
No	.28	.10	Mandy	1,150	.15	.17	.17	.17
No	.04	.01	Man. & Eastern	1,700	.01½	.01½	.01	.01
1	.19½	.05½	Maralgo	11,050	.06	.06	.05½	.05½
5	54.00	35.50	McIntyre	2,435	51.00	52.25	50.50	51.50
1	1.43	.69	McKenzie R. L.	14,650	1.26	1.38	1.25	1.32
No	.94	.30	McWatters	21,250	.73	.80	.71	.75
1	.24	.09	McVittie	3,700	.10½	.11	.10	.10
5	.70	.30	Mentor Exploration	......	(.45 bid .... asked)			
No	2.65	1.45	Mining Corp.	5,725	2.02	2.00	1.90	1.94
No	.04½	.02½	Minto Mines	1,000	.03½	.03	.03	.03
1	.03	.01	Moffatt Hall	......	(.01½ June 7)			
1	2.56	1.00	Moneta	7,920	1.34	1.36	1.30	1.32
1	.20	.04	Montague	......	(.05 bid .10 asked)			
1	.19	.05	Morris Kirk.	78,332	.10	.14½	.08	.14
1	.03½	.01½	Murphy	2,500	.02	.02	.01½	.01½
			N, O					
1	.79	.13½	Naybob	49,500	.34	.36	.30	.32
No	.11½	.02	Newbec	36,250	.07	.07½	.06½	.06½
1	.38	.10	New Golden Rose	5,300	.17	.18	.15	.17
5	2.15	1.40	Nipissing	220	1.80	1.73	1.68	1.73
No	84.00	48.00	Noranda	11,321	80.75	82.25	80.00	80.50
No	.48	.23	Nor. Canada	4,200	.44	.45½	.45½	.45½
1	8.95	7.00	North Empire	900	8.25	8.50	8.25	8.40
1	.07½	.02	Norgold	1,600	.05	.05	.05	.05
1	1.14	.45	Normetal	2,001	.84	.80	.70	.78
1	5.45	2.10	O'Brien	4,765	2.85	2.85	2.72	2.80
1	.72	.30	Omega	16,710	.49	.50	.47	.47
1	1.45	.30	Oro Plata	8,300	.47½	.45½	.40	.45
1	.21	.05	Osisko	13,400	.15	.21	.20	.20
			P					
No	4.85	2.90	Pamour Porc.	12,405	4.45	4.55	4.30	4.40
1	.63	.14	Pandora	10,600	.18	.18	.17	.17
1	2.70	1.55	Pato Cons. G.	925	2.20	2.25	2.20	2.20
1	.24½	.04½	Partanen Mal.	2,000	.05	.06½	.05	.05
1	.22	.03½	Paulore	22,400	.08½	.08½	.07	.07
1	.02	.01	Pawnee Kirk.	500	.01½	.01½	.01½	.01½
1	.69	.38	Paymaster	27,850	.51	.53	.47	.48
1	.23	.07	Payore	49,300	.07½	.08	.07	.07
1	2.65	1.30	Pend Oreille	8,635	1.90	2.00	1.76	1.76
1	1.77	.98	Perron Gold	31,975	1.55	1.68	1.56	1.58
1	.01½	.00½	Peterson Cobalt	......	(.00½ bid .01½ asked)			
1	5.30	3.80	Pickle Crow	3,230	5.15	5.20	5.05	5.20
1	3.30	2.20	Pioneer Gold B.C.	8,690	2.61	2.70	2.55	2.69
1	17.25	13.00	Placer Devel.	300	14.00	13.00	13.00	13.00
1	2.65	1.37	Powell Rouyn	14,700	2.22	2.41	2.15	2.33
1	2.52	1.75	Premier Gold	2,415	2.17	2.25	2.15	2.22
1	1.93	.67	Preston E. Dome	29,235	1.40	1.49	1.36	1.39
No	.98	.50	Prospectors Air's.	100	.50	.55	.55	.55
			Q, R					
1	.70	.35	Quebec Gold	1,600	.55	.57½	.55	.55
No	.15	.04	Quemont	500	.10	.15	.15	.15
1	4.55	2.50	Read Authier	11,634	3.50	3.50	3.30	3.40
1	.45	.05	Red Crest	100	.07	.07½	.07½	.07½
1	.65	.21	Reno Gold	7,050	.23	.27	.24	.27
1	.55	.25	Reeves MoD.	......	(.30 bid .35 asked)			
1	.07½	.03½	Reward	62,400	.06	.07½	.06	.07
1	.13	.01	Ritchie	2,000	.02½	.01	.01	.01
1	.02½	.01	Robb Montbray	......	(.01 bid .01½ asked)			
1	.24	.06	Roche Long Lac	6,500	.08	.08	.07	.08
1	.24½	.19	Ronda Gold	5,700	.20	.21	.19	.21
			S					
1	1.55	1.00	San Antonio	2,938	1.21	1.25	1.21	1.22
1	.25	.13½	Sand River	10,400	.15	.17	.13½	.15
1	.34	.03½	Shawkey	11,100	.05	.05½	.04½	.04½
50c.	1.21	.75	Sheep Creek	1,350	.91	.90	.88	.90
1	1.90	.90	Sherritt Gordon	37,843	1.36	1.46	1.27	1.32
1	3.40	1.40	Siscoe	17,760	1.50	1.50	1.45	1.49
1	1.39	.49	Sladen Malartic	33,200	.66	.78	.62	.77
1	.24	.06	Slave Lake	4,500	.06½	.07½	.07	.07½
No	.78	.28	Stadacona	79,389	.48½	.50	.46	.49½
1	.20	.07½	St. Anthony	9,700	.14½	.15½	.13½	.13½
No	.15½	.05	Straw Lake	34,000	.08½	.10	.07½	.10
No	3.80	1.65	Sudbury Basin	1,840	2.70	2.75	2.61	2.61
1	.19	.08	Sudbury Contact	1,200	.10	.10	.08	.09½
1	1.25	.65	Sullivan Cons.	6,203	.90	.90	.88	.90
1	3.60	2.50	Sylvanite	10,175	3.30	3.45	3.30	3.40
			T, U, V, W, Y					
1	5.70	4.15	Teck Hughes	9,056	4.70	4.80	4.60	4.70
1	.25	.06	Temiskaming	1,000	.08½	.08	.08	.08
1	.38	.17	Thomp. Cadillac	12,850	.28	.28	.26	.26
1	2.90	1.50	Toburn Gold	200	1.95	1.90	1.90	1.90
1	.67	.25	Towagmac	150	.40	.36	.32	.36
1	2.45	.90	Uchi Gold	4,340	1.40	1.50	1.40	1.45
No	7.40	3.95	Ventures	4,563	5.00	5.30	5.00	5.15
No	9.45	1.02	Waite Amulet	53,559	8.50	8.50	8.00	8.00
1	.20	.08	Wendigo	6,500	.12½	.16	.12½	.14½
No	.03½	.00½	White Eagle	1,000	.01½	.01	.01	.01
1	.08	.02	Whitewater Mines	4,500	.05	.05½	.05	.05½
1	.18	.03	Wiltsey Coughlan	76,800	.09½	.10½	.09½	.09½
1	.43	.13	Wood Cadillac	26,500	.20½	.20½	.19	.19
No	8.20	6.50	Wright-Hargreaves	7,410	7.90	7.90	7.75	7.90
No	.30	.09	Ymir Girl	2,000	.10	.10	.10	.10

Oil Quotations

Par Val.	High	Low	Company	Sales	Close Nov. 21	High	Low	Close Nov. 28
No	.12	.06	Acme Gas & Oil	1,950	.07	.07	.06	.06½
1	.37	.12½	Alta Pac. Cons.	3,100	.15	.17½	.15	.17½
1	.32	.13	Ajax	200	.17	.17	.17	.17
No	1.65	.95	Anglo Canadian	5,900	1.08	1.10	1.05	1.05
1	.15	.05	Anaconda	1,500	.06	.06	.06	.06
1	.16	.05	Br. Dominion	......	(.07½ bid .10½ asked)			
No	.68½	.20	Brown Oil	19,500	.24	.23½	.21	.21
100	72.00	46.00	Do., pref.	......	(65.00 bid 75.00 asked)			
No	3.10	1.55	Calgary & Ed.	5,265	2.03	2.15	2.01	2.04
1	.62	.19½	Calmont	184	.25	.30	.22	.25
No	.85	.45	Commoil	1,330	.48	.50	.45	.48
No	.43	.19	Common Pete	1,350	.24	.25	.20	.25
No	.70	.33	Dalhousie	3,400	.37	.38	.34	.34
No	.73	.20	Davies Pete	14,500	.30	.33	.29	.31
No	.15	.05	East Crest	500	.09	.09	.09	.09
25c.	.25	.05	Firestone Pete	500	.10	.11	.11	.11
No	.90	.30	Foothills	1,500	.45	.60	.49	.60
No	.22	.08	Foundation Pete	1,400	.13	.11	.10	.11
No	.35	.14	Hargal		(.19 bid .25 asked)			
No	.20	.05	High Sarcee	1,100	.11	.10	.08	.10
No	1.47	.80	Home	9,190	1.20	1.22	1.14	1.18
1	.37	.14	Homestead O. & G.	6,100	.21	.24	.20½	.22
No	.27	.10	McD. Segur	......	(.13 bid .13½ asked)			
No	.08	.04	Merland	1,500	.05½	.05½	.05½	.05½
1	.38	.18	Model	......	(.17 bid .... asked)			
25c.	.20	.08	Monarch Royalties	1,000	.11	.10	.08	.08
1	.20	.04	Nordon	5,500	.08	.09	.08	.08
No	.04½	.02	Oil Selections	......	(.02½ bid .03 asked)			
No	2.30	.85	Okalta	4,950	1.03	1.08	1.01	1.02
No	.05½	.02	Olga Gas & Oil	35,100	.02½	.02½	.02	.02½
1	.17	.04½	Pacalta	12,000	.05½	.05½	.05	.05
1	.50	.30	Petrol Oil & Gas	500	.50	.40	.40	.40
25c.	.52	.19	Prairie Royalties	100	.21	.19	.19	.19
No	49.00	32.50	Royalite	816	38.25	39.50	37.63	38.00
No	.75	.25	South West Pete.	500	.35	.31	.31	.31
No	.10	.02	South End	......	(.01½ bid .05 asked)			
1	.14	.14	Spooner	......	(.09 bid .... asked)			
25c.	.25	.02½	Spy Hill Royalties	500	.03	.02½	.02½	.02½
No	1.68	1.05	Texas Can.	3,300	1.30	1.45	1.25	1.40
No	.26	.09	United Oils	4,300	.10	.09½	.09	.09
No	1.25	.47	Vulcan	1,700	.50	.60	.60	.60
No	.34	.05	West Flank	......	(.05½ bid .09 asked)			
50c.	.15	.07	West Turner Pete	3,500	.08½	.08½	.08	.08

Vancouver Stock Exchange

Par Val.	High	Low	Company	Sales	Close Nov. 21	High	Low	Close Nov. 28
50c.	.14	.04½	Aztec	25,300	.05½	.06	.05	.05½
1	.58	.23	Big Missouri	2,150	.25½	.28	.27	.28
25c.	.02½	.01½	Bluebird	......	(.01½ bid .... asked)			
No	10.10	7.75	Bralorne	1,791	9.65	9.90	9.65	9.90
1	.04½	.01	Bridge River Cons.	1,100	.03	.02½	.02½	.02½
1	2.60	1.68	Cariboo Gold	3,400	2.38	2.47	2.36	2.47
No	.13	.02½	Dentonia	26,400	.08½	.07½	.06	.06
1	.09	.01	Dunwell	4,000	.02	.02½	.02½	.02½
No	.10½	.02	Fairview Amal.	9,500	.05½	.05½	.04½	.04½
1	.02½	.01	Federal Gold	1,000	.01½	.01½	.01½	.01½
1	.50	.25	George Copper	......	(.25 bid .33 asked)			
50c.	.03½	.02	George Enterprise	......	(.03 Sept. 13)			
1	.10	.03½	Golconda	1,000	.05½	.06	.05	.06
50c.	.51	.29	Gold Belt	17,200	.49	.50	.50	.50
50c.	.06½	.01	Gold Mountain	3,000	.01½	.01½	.01½	.01½
50c.	.12	.04	Grand View	1,000	.07	.07	.07	.07
1	.11	.01	Grull Wihksne	9,900	.04½	.04½	.03½	.0½
1	1.38	1.00	Hedley Mascot	10,140	1.30	1.36	1.30	1.35
No	.06	.00½	Hedley Sterling	......	(.00½ bid .... asked)			
No	.02	.00½	Home Gold	3,000	.01½	.01½	.01	.01
1	.02½	.01	Indian Mines	4,000	.01½	.01	.01	.01
50c.	1.40	.72	Island Mountain	1,700	1.15	1.20	1.16	1.18
1	.28	.20	Inter'tl Coal	......	(.25½ bid .29 asked)			
50c.	1.52	.90	Kootenay Belle	2,900	1.49	1.47	1.45	1.45
10c.	.04½	.01	Lucky Jim	15,500	.02½	.02½	.02½	.02½
No	.02½	.01	Mak Siccar	......	(.01 bid .... asked)			
10c.	.80	.52	Metaline Mining	......	(.50 bid .60 asked)			
1	.23	.19	McGillivray Creek	......	(.23 bid .... asked)			
No	.05½	.02	Minto Mines	8,000	.03	.03	.02½	.02½
50c.	.08	.02	Nicola	8,225	.04½	.04½	.04½	.04½
50c.	.05	.02	Noble Five	2,400	.03½	.04	.03½	.03½
1	.34	.25	Pacific Nickel	......	(.25 bid .... asked)			
1	2.50	1.32	Pend Oreille	1,250	1.91	1.98	1.80	1.80
No	.02½	.00½	Pilot Gold	5,000	.00½	.01	.01	.01
1	3.25	2.25	Pioneer Gold	2,859	2.60	2.75	2.60	2.75
50c.	.04	.02½	Porter Idaho	......	(.03 bid .04 asked)			
No	.02½	.00½	Premier Border	......	(.00½ bid .01 asked)			
1	2.83	1.81	Premier Gold	5,875	2.18	2.25	2.17	2.25
1	.14½	.02½	Quatsino Copper	1,000	.04	.03½	.03½	.03½
25c.	.11½	.04½	Quesnelle Quartz	6,500	.09½	.09½	.08½	.08½
50c.	.07	.01½	Red Hawk	......	(.01 bid .... asked)			
1	.25	.10	Relief Arlington	6,030	.15½	.15	.14½	.15
No	.56	.24	Reeves McDonald	300	.31	.30	.30	.30
1	.68	.22	Reno Gold	13,200	.23	.26½	.24	.26
1	.07	.03½	Reward Mining	59,700	.06	.07	.06½	.07
1	.03½	.01	Rufus Argenta	......	(.14½ bid .15½ asked)			
1	.08	.03	Sally Mines	......	(.02 bid .... asked)			
50c.	.18½	.05	Salmon Gold	7,200	.07	.08	.07½	.07½
50c.	1.20	.80	Sheep Creek	2,150	.89	.92	.89	.90
1	2.20	1.50	Silbak Premier	290	1.80	1.80	1.78	1.78
No	.04½	.01	Silvercrest	10,000	.01½	.01½	.01½	.01½
1	.17	.12	Sunloch	......	(.15 Sept. 15)			
No	.20	.11	Surf Inlet	200	.15	.15	.15	.15
1	.22	.21	Standard Silver	......	(.22 Apr. 1)			
10	12.65	11.75	Sunshine	......	(11.75 Apr. 13)			
No	.05½	.02½	Taylor Bridge	6,500	.02½	.05	.03	.04½
No	.21	.05½	Vidette Gold	3,700	.09	.09	.08	.08
50c.	.01½	.00½	Waverley Tangier	3,000	.01	.00½	.00½	.00½
20c.	.03½	.01½	Wellington	......	(.01½ bid .02 asked)			
50c.	.10½	.01	Wesko	......	(.01 bid .01½ asked)			
1	.02	.02	White Eagle	......	(.02 Mar. 16)			
1	.08½	.02	Whitewater	2,500	.05½	.05	.05	.05
No	.29	.03	Ymir Yankee Girl	......	(.09½ bid .11 asked)			

Oil Stocks

Par Val.	High	Low	Company	Sales	Close Nov. 21	High	Low	Close Nov. 28
1	.35½	.11	Alta. Pac. Cons.	[illegible]	.15	.16	.16	.16
1	.08	.00½	Amalgamated	7,000	.01	.00½	.00½	.00½
No	1.58	1.00	Anglo C. Develop.	1,200	1.06	1.08	1.05	1.08
1	.14	.04½	Anaconda	2,000	.06	.06	.05½	.05½
No	.08	.04	Associated Oil	......	(.03 bid .... asked)			
No	.06	.01½	Baltac	......	(.02 bid .... asked)			
1	.14	.06	Brit. Dominion	......	(.07½ bid .09 asked)			
No	.58	.21	Brown Oil	1,000	.25	.22½	.22½	.22½
No	3.15	1.60	Calgary & Ed.	2,155	2.09	2.10	2.05	2.05
1	.63	.20	Calmont	900	.29	.26	.24	.26
1	.43½	.19½	Commonwealth	3,100	.24	.25	.23	.24
1	.06½	.00½	Crow's Nest	5,000	.00½	.00½	.00½	.00½
No	.70	.35	Dalhousie	......	(.35 bid .38 asked)			
No	.66	.21	Davies Pete	2,500	.30	.32	.29½	.32
No	.15	.07	East Crest	......	(.08 bid .09 asked)			
25c.	.23	.09	Firestone	1,200	.11	.09½	.09½	.09½
No	.08½	.04	Freehold	2,500	.04	.04	.04	.04
No	.23	.11	Foundation Pete	......	(.12 bid .... asked)			
No	.21	.11	Four Star	2,000	.12	.12	.11	.11
No	.38	.14	Hargal	......	(.18 bid .25 asked)			
No	.20	.09	High Sarcee	......	(.10 bid .11 asked)			
No	1.46	.85	Home Oil	1,960	1.18	1.24	1.15	1.22
No	.09	.03½	Madison	3,500	.04	.03½	.03½	.03½
No	.10½	.04	Marjon Oil	18,200	.04	.04½	.04	.04
No	.28½	.10½	McD. Segur Ex.	3,800	.13½	.13	.12½	.12½
1	.30	.10	McLeod	......	(.12 bid .... asked)			
No	.19	.06	Mercury	2,900	.06½	.06½	.06	.06½
No	.08	.05	Merland	......	(.... bid .06 asked)			
No	.12	.04	Mill City Oil	......	(.03½ bid .04½ asked)			
No	.03	.02½	Midwest Pete	......	(.02½ bid .... asked)			
1	.42	.17½	Model	100	.20	.17½	.17½	.17½
25c.	.19	.08½	Monarch Royal.	300	.09½	.09	.09	.09
25c.	.08	.06	National Pete	......	(.06 bid .... asked)			
1	.19	.07	Nordon	......	(.07 bid .... asked)			
No	2.25	.90	Okalta	1,800	1.03	1.07	1.00	1.03
100	37.50	27.00	Do., pref.	......	(29.00 Oct. 26)			
No	.17	.04	Pacalta Oil	......	(.08 bid .... asked)			
25c.	.51½	.19	Prairie Royal	......	(.19½ bid .22 asked)			
No	48.00	34.00	Royalite	10	39.00	38.50	38.50	38.50
No	.33	.09	Royal Canadian	14,800	.18	.18	.17	.17
No	.65	.30	Southwest Pete	......	(.35 bid .... asked)			
1	.21	.07	Spooner	......	(.09½ bid .13 asked)			
25c.	.23	.03	Spy Hill Rlty.	......	(.... bid .03½ asked)			
25c.	.48	.33½	Sunset Oil	......	(.33½ bid .... asked)			
No	.25	.08½	United	4,100	.09	.09½	.09½	.09½
No	.09½	.04½	Vanalta	......	(.05 bid .06 asked)			
1	1.21	.50	Vulcan	200	.62	.62	.62	.62
No	.34	.05	West Flank	......	(.05½ bid .... asked)			
50c.	.09½	.08½	West Turner Pete	10,500	.08½	.08½	.08½	.08½

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

Nov. 29, 1938

Public Utility Issues	Int. Rate %	Due	Bid Nov. 29	Asked	Bid Nov. 22
†Assoc. Tel. & T.	5½	'55	75½	78½	76
Beauharnois P.	5	'73	99½	102½	100
B. C. Power	4½	'60	98½	101½	100
B. C. Tel.	4½	'61	106	109	106½
†Calgary Pwr.	5	'60	100	103	100
Do.	5	'64	100	103	100
†Can. Nor. Pwr.	5	'53	103	106	103½
‡Dom. Gas & E.	6½	'45	89½	92½	90½
‡Gatineau Pwr.	5	'56	104½	107½	104½
‡Do., A	5	'49	99	102	99
Gt. Lakes Pwr.	4½	'56	98	101	97½
‡Inter. Hydro-E.	6	'44	76	79	73½
▲Inter. Power	6	'55	100½	103½	100½
†Macl'n-Que. Pr.	5½	'61	103½	106½	103½
Do.	5½	'64	103½	106½	103½
Mtl. L., H. & P.	3½	'56	103	106	103½
Do.	3½	'73	98½	101½	98½
†Mtl. Tramways	5	'41	98	101	98½
†Do.	5	'55	73	76	73½
Nat. Lt. & Pr.	6	'49	95½	98½	96
N. S. Lt. & Pr.	4	'57	101	104	100½
‡Ottawa L.H.&P.	4	'57	102½	105½	102½
†Ottawa V. Pwr.	5½	'70	104½	107½	105½
†Power Corp.	4½	'59	103	106	105
Quebec Power	4	'62	100	103	100
§Saguenay Pr., A	4½	'66	105½	108½	105
Do., B	4½	'66	105	108	105
Shaw. W. & Pr.	4	'61	102	105	102½
Union Gas	4½	'50	101	104	101½
Wpg. El. Ser. A	4	'65	63	66	65
Industrial and Realty Issues:					
†Abitibi P. & P.	5	'53	62½	65½	64½
Acadia Sugar	4½	'55	102	105	101½
†Alta. Pa. Grain	6	'46	83	87	87
Atlantic Sugar	4	'51	100½	103½	99½
B. A. Oil	4	'45	103	106	103
†B. C. P. & Pap.	6	'50	80	83	81
§Brown Co.	5½	'46	47	50	50
†Burns & Co.	5	'58	45	50	48
Canada Bread	6	'41	107	110	107
Canada Cement	4½	'51	104	107	103½
Canada Paper	4½	'52	98½	101½	98½
Can. Steamship	5	'57	82	85	82½
Candn. Canners	4	'51	100½	103½	100½
‡Can. Int. Paper	6	'49	99	102	99½
‡Candn. Vickers	6	'47	99	102	99
C. P. R.	3½	'51	86	89	87
Do.	4	'49	89	92	90½
Do.	4½	'44	93	96	93½
Do.	6	'42	102½	105½	103
Do., debs.	4	perp.	80½	83½	81
†Consol. Paper	5½	'61	47	50	50
Dom. Coal	4½	'52	102	105	102½
▲Dom. Stl. & C.	6½	'55	98½	101½	98½
Dom. Tar	4½	'51	102½	105½	102½
†Donnacona P.	4½	'56	76	79	77
Famous Players	4½	'51	97	100	97½
†Federal Grain.	6	'49	92	95	92
†Fraser Cos.	6	'50	98½	101½	99
Gen. Stl. Wares	4½	'52	95½	98½	95½
‡Great Lakes P.	5	'55	80	84	82
†Gypsum, Lime	5½	'48	98	101	97½
Ham. By-Pr. C.	5	'55	97	100	97½
Inter-City Bak.	5½	'48	103	106	103
‡Int. P.&P. Nfld.	4½	'68	101½	104½	101½
Lk. St. J. P.&P.	5½	'61	91	94	91½
Maple Leaf M.	5½	'49	47½	50½	47½
†Massey-Harris	5	'47	99	102	99
†McColl-Fron.	4½	'49	98½	101½	98½
McCormick's	4	'52	82½	85½	82½
‡M. & O. Paper	6	'45	36½	39½	38
Nat. Grocers	4	'47	101	104	101½
†N. S. Stl. & C.	3½	'63	76	79	76
Price Bros.	5	'57	96½	99½	97
‡Prov. Paper	5½	'47	101	104	101½
†Restigouche Co.	6	'48	96½	99½	97
Rolland Paper	4½	'51	102	105	102
Simpsons Ltd.	4½	'51	98½	101½	98½
Smith, Howard	4½	'51	102	105	102
†Steel of Can.	6	'40	107½	110½	107½
‡United Gas	5½	'48	102	105	102½
United Gr. Grs.	5	'48	92	95	92
†Western Grain	6	'49	29	34	33½

‡Payable in Canada or U.S.
†Payable in Can., U.S. or U.K.
▲Payable in Can. or U.K.
§Payable in U.S. only.

Winnipeg Stocks

(Transactions from Nov. 21 to Nov. 26)

	Sales	High for period	Low for period	Close Nov. 26
Berens River	100	1.15	1.15	1.15
Canadian Fire	10	84.00	84.00	84.00
Central Man.	1,200	.04	.03½	.04
Flin Flon	6,000	.02½	.02½	.02½
Gold Lake	500	.01½	.01½	.01½
Gurney Gold	11,940	.25½	.24	.25
Gt. Falls M.	400	.05	.04½	.05
Sachigo River	122	12.75	12.25	12.75
Star Lake	7,500	.01½	.01½	.01½
Sovereign Life	6	11.00	11.00	11.00
United Grain	6	6.63	6.50	6.63
West. Steel	200	8.00	7.50	7.50
Western Brew.	280	2.00	1.60	1.60
Wingold	2,000	.03	.03	.03

Stocks Not Traded in During Week*

	Bid	Asked
Beaver Fire	...	100
Can. Indemnity	125	...
Corr. Paper Box, c.	...	2½
Cres. Cream., pf.	...	12
Dom. Envelope	2	2¾
Do., pref.	91½	94½
Federal Grain, pfd.	24½	26
Home Investment	...	20
Nor. Can. Mtge., pf.	3	...
North. Mtge., part. pf.	2	2½
Northern Trust	...	8
Traders Bldg.	...	82

*Stocks more active on other exchanges not included.

Stock Sales

	Montreal Markets Indust.	Mines	Toronto Markets Ind. & Mines
Nov. 29	23,000	43,000	405,000
Nov. 28	34,600	84,400	478,000
Nov. 26	15,800	37,800	299,000
Nov. 25	18,000	51,900	484,000
Nov. 24	11,800	40,700	221,000
Nov. 23	21,100	73,200	403,000

Investment Trusts

	Bid	Asked
Can. Amer. Trust	3.75	4.00
Can. Inv. Fund	3.95	4.35
All Can. Trustee	12.75	13.40
Trans-Canada	12.05	13.05
Grouped Income	...	5.35
Can. Int. Tr., modified	5.00	5.75
Do., unmodified	4.50	5.25

Unlisted Stocks

(Furnished by A. J. Pattison Jr. & Co., Toronto)

Nov. 29, 1938

	Bid	Asked
Industrial Stocks:		
Acadia Sugar, pfd.	4.65	5.00
Acme Farmers Dairy, pfd.	14.50	17.00
Andian National	32.50	34.50
Anglo Can. Tel., A	8.75	9.50
Barrymore Cloth, pfd.	17.75	22.00
B. C. Packers, com.	12.50	14.00
B. C. Pulp & Paper, com.	*12.00	14.00
Do., pfd.	*50.00	....
Blue Top Brewing, pfd.	2.50	....
Burns & Co., A	4.50	5.00
Do., B	1.25	1.75
Canada Tea, pref.	18.00	24.00
Can. Goodrich, com.	1.10	....
Can. Industries, A com.	230.00	235.00
Can. Ingersoll Rand	127.00	133.00
Can. Tube & Steel, com.	3.25	5.00
Do., 1st pfd.	60.00	65.00
Chase, A. W., pfd. bonus	26.50	27.50
Claude Neon, pfd.	6.75	8.00
Cons. Sales Book, pfd. bonus	81.00	....
Copeland Flour Units	5.00	6.00
Corrugated Paper Box, rts.	....	8.50
Dom. Manufacturers, pfd.	60.00	65.00
Dunlop Tire, pfd. par $25	19.50	20.50
Easy Washing, pfd.	9.50	10.50
Federal Grain, com.	1.70	1.95
Do., pfd.	24.00	26.50
Goderich Elevator	6.35	6.75
Guelph Carpet, pfd.	101.00	104.75
Do., com.	17.00	18.00
Hayes Steel Prod., com.	9.00	9.50
Do., pfd.	8.75	9.25
Highland Dairy, pfd.	42.00	47.00
Kingston Shipbuild. Units	10.00	11.00
Loblaw Inc., pfd. bonus	80.00	84.00
Morrison Brass, pfd. bonus	5.25	7.00
Morrow Screw, pfd. bonus	95.00	99.00
Neilson, Wm., com.	6.75	8.00
Do., pfd.	98.50	....
New Brunswick Tel., com.	12.25	13.00
New Meth. Laund., pf. bon.	50.00	54.00
Niag. Lower Arch Bridge, c.	68.00	....
Ont. Tobacco, pfd. bonus	20.00	....
Paterson, Wm., pref.	101.00	103.00
Provincial Paper, pfd.	105.00	107.00
Reliance Grain, pfd.	36.00	41.00
Rob. Consol. Cone	8.25	9.00
Ruddy, E. L., pfd.	27.00	29.00
Seal O Sac (Can.)	6.00	6.75
Standard Fuel, com.	2.50	3.50
Do., pfd.	57.00	61.00
Stedman Bros., pfd. par $50	54.00	56.00
Toronto Carpet, com.	27.00	31.00
Do., pfd.	55.00	59.00
United Farmers Co-op.	2.60	3.25
United Steel, A	20.00	21.00
Viceroy Mfg., 6% pfd. & rts.	22.25	24.25
Western Grain, pfd. bonus	4.50	5.75
Western Steel Prod., com.	8.50	9.25
Weston (Geo.) Foods (Eng.)	4.00	4.75
Willards Choc., pfd.	60.00	....
Zellers pfd.	22.50	25.00
Trusts and Loan Stocks:		
British Mortgage	140.00	....
Commercial Finance, com.	2.50	3.00
Guelph & Ont. Inv., par $50	52.00	55.00
London & West. Trust	37.00	....
Premier Trust	....	110.00
Sherbrooke Trust	120.00	....
Sterling Trust	45.00	50.00
Traders Fin., B com.	15.00	16.00
Do., A pfd.	78.00	81.00
Trusts & Guarantee	26.00	28.00
Insurance Stocks:		
Can. Fire	83.00	85.50
Canada Life	478.00	485.00
Confed. Life 25% pd.	145.00	....
Crown Life Fully Pd.	210.00	....
Dominion Fire Ins.	131.00	....
Dom. of Can. Gen.	105.00	107.50
Empire Life 25% pd.	9.75	10.50
Excelsior Life 30% pd.	57.00	63.00
Federal Fire 25% pd.	48.00	52.00
Great West Life	300.00	310.00
Halifax Fire Ins.	24.00	25.00
Imperial Life	325.00	335.00
Manufacturers Life	239.00	242.00
Monarch Life 10% pd.	24.00	28.50
Sovereign Life 25% pd.	14.00	17.00
Sun Life	440.00	460.00
Toronto General	5.00	6.00
Western Assce., com.	49.00	52.00
Theatre Stocks:		
Allens Kingston, pfd.	65.00	....
Do., London, pfd.	64.00	70.00
Do., St. Catharines, pfd.	62.00	66.00
Do., Tor., pfd. bonus c.	33.00	....
Loew's London, pfd.	3.50	4.00
Mansfield Theatre, pfd.	22.00	....
Paramount Kitchener, pfd.	48.00	51.50
Do., Oshawa, pfd.	88.00	92.00
United Amusement, A	14.00	....
Do., B	14.00	....
Investment Trust Shares:		
Can. Investment Fund	3.95	4.35
Can. Investors Corp.	6.75	7.50
Invest. Found. Units	54.00	57.00
Lon. Can. Inv., pfd.	32.00	36.00
Sec's. Hold., pfd. bonus	18.00	19.50
United Corp., A	21.50	22.50
Do., B	10.50	11.50
Power Issues:		
Can. West. Nat. Gas, com.	24.00	28.00
Do., pfd.	97.50	101.00
Inter. Util., $7 pfd.	96.00	100.00
Great Lakes Power, pfd.	100.00	102.50
Montreal Island Power, pfd.	20.50	....
Northern Ont. Power, pfd.	97.00	100.00

Public Utility Earnings

Brazilian Traction

	1938 $	1937 $	Incr. $
October:			
Gross earn.	3,288,449	3,209,571	78,878
Oper. exp.	1,517,271	1,462,461	54,810
Net earn.	1,771,178	1,747,110	24,068
Ten Months:			
Gross earn.	31,587,556	32,393,040	*805,484
Net earn.	16,840,863	17,908,517	*1,067,654

Municipal Bonds

Nov. 29, 1938

	Rate	Due	Bid	Asked	Yield
†Halifax	5	1961	112.50	114.00	4.05
Hamilton	5	1950	108.60	110.10	3.90
Montreal	5	1945	104.00	105.50	4.00
Ottawa	4½	1945	108.10	109.60	2.88
†Quebec	5	1959	106.50	108.00	4.40
Saint John	5	1950	107.50	109.00	4.05
†Toronto	4½	1955	112.50	114.50	3.35
†Vancouver	5	1950	88.00	91.00	6.10
Winnipeg	5	1944	98.00	100.50	4.80

†Payable Can. and N.Y.

Unlisted Mines

TORONTO

November 29, 1938

	Bid	Ask		Bid	Ask		Bid	Ask
Addington	.14	.15	Hislop	.02½	.03½	Plains Pete pfd.	..	.85
Albany R.	.22	.24	Hiawa'a	.85	.95	Planet	.03½	.04
Algoma S.	..	.14	Hutch. Lake	.02½	.02¾	Pontiac R.	.14½	.16
Amorada	.03	.03½	Hugh PaP.	.09½	.10½	Pelangio	.05	.06
Arjon	.03	.03½	Keora	.03½	.04½	Polaris	.55	.58
Armistice	.03	.03½	Kaw Crow	.02½	.03½	Privateer	1.25	1.30
Argosy	.03½	.04	Kenricia	.21	.24	Propri'y	1.70	1.75
Arno	.01½	.02	Kewaga'a	.10	.11	Presdor	.02½	.03½
Athona	.06½	.07½	Kir. Vit.	.03	.03½	Queb. Man.	.15	.18
Area	.08½	.09	Kirk. Gate	.08	.09	Rand Ml.	.25	.27
Barb. Lar.	.15	.15½	Kirk. Hunt.	.01½	.01¾	Rajah	.01½	.02
Big Master	.02	.03	Lacoma	.02½	.03½	Ribago (new)	.03½	.04
Bilmac	.04½	.05½	Lafayette	.01	.01½	Red LGS	.03½	.04
Baldwin	.01½	.01¾	Lake Duf.	.74	.75	Rhyolite	.07½	.08
Cuniptau	.03	.03½	Lake Gen.	.16	.20	Rich Rock	.05	.07
Calder Bo.	.04½	.04¾	Lake Rose	.05	.06	Rouyn Re.	.05½	.06
Camlaren	..	.09	Lardego	.04½	.05	Rubec	.03	.03½
Cana. Pan.	.03½	.04	Lucky Kir.	.04	.04½	Sachigo	12.00	12.75
Cana. Kirk	.01½	.01½	Magnet L.	.11	.12	Shenango	.18	.20
Capital Ro.	.01½	.02½	Magnet C.	.50	.52	Sheldon	.07½	.08
Central Mn.	.03½	.04½	Martin Br.	.14½	.15	Sigma (new)	..	7.00
Cheminis	.07½	.07¾	Mata Cana.	.05	.05½	Silver Val.	..	.04
Coin Lake	.03	.03½	Moffatt Hall (new)	.04	.04½	Siscoe Ex.	.03½	.04
Crowshore	.07	.08½	McFar. LL.	.01½	.01½	Smelter	.03	.03½
Cont. Kirk.	.19	.20	McGregor	.19	.21	Spooner	.04½	.05
Dawson W.	.04	.04½	McCarthy	.04	.05	Sturg. Riv.	.21	.23
Delandore	.08	..	McVit. Kir.	.01½	.02	Sunbeam	.25	.28
Delnite	.68	.72	Monarch	.03	.03½	Sun Bear	.03	.03½
Desantis (new)	.28	.30	Mosher	.17	.18	Surf. Inlet	.10	.15
Doreva	.02	.03	Mooshla	.04½	.05½	Springer	.07	.08
Devon	.27	.30	Nickel Of.	.77	.90	Tonawa'a	.02	.03
Dunlop (new)	.02½	.03	Norlake	.02½	.03	Virita	.01½	.02
East Rou.	.19	.22	Norbeau	.72	.75	Up. Canada	.36	.38
Elmos	.29	.31	Negus	.87	.92	Williamson	.01½	.02
Frontier	.03	.03½	North Sho.	.01	.01½	Wesley	.06	.07
Gate Pat.	.02½	.02½	Oklend	.18½	.19	Wells LL.	.12	.14
Galatea	.02½	.03	O'Leary	.03	.03½	Westside	.01½	.01½
Gilbec	.01	.01½	Opemiska	.07	.10	Westwood	.07	.08
Goldside	.01½	.02	Oriole	.03	.03½	White Horse	.02	.03
Golden G.	.40	.43	Ossian	.04½	.05½	Winoga cum. rites	.00½	.01½
Golden Tr.	.05	.07	Pascalis	.39	.41	Woco	.11½	.12
Gordon Lb.	.03	.03½	Porcu. Lake	.09½	.10	Y. Davidson	.27½	.30
Hallnor	8.75	9.00	Porc. McN.	.01½	.01½	Y. Shannon	.02½	.03

MONTREAL

November 29, 1938

	Bid	Ask.		Bid	Ask.		Bid	Ask
Abbeyville	..	.11	Dempsey Cad.	..	.03	Obalski	.07	.08
Amity	..	.01½	Dorval Units	..	3.40	Pan. Canadian	.06½	.08
Brown Cad.	..	.01½	Lake Rowan	.08½	.10	Routhier Cad.	..	.08
Chibmac	.02	.03	L. L. Lagoon	.03	.04	Randall	.04½	..
Cournor	..	.18	Leroy	.01	.01½	Tiblemont Is.	..	1.00
Chib. Props.	.05	..	Louvre	.05	.07	Valdor Min.	..	.03
						Warrenmac	.07	.08

Government Bonds

(Supplied by Investment Dealers' Association of Canada)

Dominion of Canada Bonds

Nov. 29, 1938		Bid	Asked	Approx. Yld.
1	1 June '39	100.00	100.37	.33
1	15 Nov. '39	100.75	101.25	.70
2½	15 Oct. '39	101.25	101.75	.47
4	15 Oct. '39	102.25	102.75	.83
1½	1 June '40	100.50	101.00	.83
4½	1 Sept. '40	105.25	105.75	1.17
1	15 Mar. '41	99.37	99.87	1.05
5	15 Nov. '41	109.37	109.87	1.57
2	1 June '42	101.62	102.12	1.38
3	15 Oct. '42	104.62	105.12	1.62
3	1 June '43	103.00	103.50	1.69
5	15 Oct. '43	113.25	113.75	2.02
2	1 June '44	100.25	100.75	1.85
2¾	15 Jan. '44	102.25	103.00	▲1.50
4½	15 Oct. '44	112.12	112.62	2.21
2½	15 Nov. '44	102.50	103.00	1.96
2¾	15 Aug. '45	103.00	103.75	▲1.66
4	15 Oct. '45	108.25	108.75	▲2.10
4½	1 Feb. '46	112.25	113.00	2.51
3¼	1 June '49	102.75	103.25	▲2.77
3½	15 Oct. '49	103.75	104.25	▲2.72
3¼	15 Nov. '51	102.25	102.75	▲2.93
[illegible]	1 May '52	110.50	111.25	▲1.61
4	15 Oct. '52	108.00	108.50	▲2.91
3	1 June '55	99.25	99.75	3.02
4½	1 Nov. '56	111.25	111.75	▲2.83
4½	1 Nov. '57	111.50	112.00	▲2.97
3	1 June '58	98.25	98.75	3.08
4½	1 Nov. '58	112.00	112.50	▲3.04
4½	1 Nov. '59	112.37	112.87	▲3.11
[illegible]	1 Oct. '60	110.75	111.50	▲2.86
3¾	15 Jan. '61	103.62	104.37	▲2.93
3¼	1 June '66	101.12	101.62	▲3.13
[illegible]	15 Jan. '67	98.00	98.75	3.07
[illegible]	15 Nov. '68	97.62	98.37	3.08
[illegible]	Perp. bonds	92.50	93.00	3.23

Dominion Guaranteed Bonds

		Bid	Asked	Approx. Yld.
Canadian National Railway:				
2	15 Jan. '42	101.00	102.00	1.35
2	15 Feb. '43	100.75	101.75	1.57
3	1 May '44	104.25	105.25	1.98
3	15 Dec. '50	99.00	100.00	3.00
3	15 Feb. '53	98.50	99.50	3.04
†4½	1 Sept. '51	114.50	115.50	3.05
†4½	1 Feb. '56	115.50	116.50	3.25
†4½	1 July '57	115.50	116.50	3.32
†4¾	15 June '55	118.00	119.00	3.25
5	1 Feb. '54	118.75	119.75	3.35
*5	1 July '69	115.75	116.75	▲2.60
*5	1 Oct. '69	119.25	120.25	▲3.19
*5	1 Feb. '70	119.25	120.25	▲3.24

Provincial Government Bonds

		Bid	Asked	Approx. Yld.
New Brunswick:				
3	15 Oct. '51	92.00	93.00	3.69
3½	15 June '56	96.00	97.00	3.74
†4	15 Nov. '47	102.25	103.25	▲3.48
†4½	15 Apr. '61	104.50	105.50	4.12
†5	15 Jan. '60	109.50	110.50	4.25
Nova Scotia:				
3	2 Jan. '52	96.00	97.00	3.27
3¼	1 June '56	98.00	99.00	3.32
3½	1 Nov. '50	100.50	101.50	3.35
†4½	15 Sept. '52	109.00	110.00	▲3.19
†4½	15 Nov. '60	111.25	112.25	3.68
†5	1 Mar. '60	117.00	118.00	3.77
Ontario:				
2½	15 May '45	101.50	102.50	2.08
3	1 Nov. '50	99.00	100.00	3.00
3¼	15 Nov. '51	101.00	102.00	▲3.04
*4	1 June '62	109.00	110.50	3.35
4½	1 June '50	112.00	113.00	3.15
*4½	15 Jan. '62	116.00	117.50	3.42
5	15 Oct. '48	115.75	116.75	3.02
*5	2 Dec. '60	123.00	125.00	3.38
5½	1 July '46	116.75	117.75	2.87
Ont. Hydro Comm.:				
3	1 Aug. '48	99.00	100.00	3.00
3¼	1 Feb. '53	100.00	101.00	▲3.15
3½	1 Apr. '47	102.75	103.75	2.98
Prince Edward Island:				
3	1 Oct. '45	99.50	101.00	2.84
Quebec:				
3	1 Nov. '51	96.00	97.00	3.28
3¼	1 Mar. '48	99.00	100.00	3.25
3¼	1 June '52	98.00	99.00	3.34
4	15 Mar. '52	105.50	106.50	3.40
4¼	1 Aug. '58	108.50	109.50	3.58
4½	2 Jan. '63	112.00	113.00	3.69
Alberta:				
4	15 Dec. '54	52.75	56.75	§
4½	1 Oct. '51	61.00	65.00	§
†4½	1 Oct. '56	54.75	58.75	§
*5	1 Oct. '59	58.00	62.00	§
†5½	1 Apr. '52	61.00	65.00	§
6	1 Mar. '47	62.75	66.75	§
British Columbia:				
†4	1 Dec. '57	90.75	93.75	4.50
*4½	15 Jan. '51	97.00	100.00	4.50
†4½	1 Oct. '53	96.75	99.75	4.52
†5	25 Apr. '54	99.25	102.25	4.79
5½	1 Feb. '45	100.75	103.75	4.80
6	15 Feb. '47	102.25	105.25	5.20
Manitoba:				
†4	1 Dec. '57	83.00	87.00	5.07
†4½	15 Dec. '56	84.00	88.00	5.56
*5	2 Dec. '59	92.50	96.50	5.28
5½	1 Oct. '55	93.50	97.50	5.73
6	1 Apr. '47	96.25	100.25	5.96
Saskatchewan:				
4	1 Nov. '60	62.00	66.00	7.07
†4½	1 Oct. '51	77.25	81.25	6.68
†4½	15 Mar. '60	67.00	71.00	7.17
5	1 Aug. '58	71.50	75.50	7.36
5½	1 Oct. '52	75.00	79.00	8.03
6	15 Mar. '52	78.50	82.50	8.17

*Payable Can., N.Y., & £. ▲Calculated to call date giving lowest possible yield. †Payable Can. & N.Y. ■Payable N.Y. ‡Callable on or after Sept. 15, 1936. §Traded flat. Interest being paid at 50% of coupon rate; minimum rate 2%. °Callable at a premium.

Dividends Declared

	This payment	Date payable	Date of record
Agnew-Surpass, pf.	$1.75	Jan. 3	Dec. 15
Asbestos Corp.	50c	Dec. 31	Dec. 15
Do., extra	$1.50	Dec. 31	Dec. 15
Bathurst Pwr., A	25c	Dec. 19	Dec. 10
Beatty Bros., 2nd pf.	$3.50	Jan. 3	Dec. 15
Bell Telephone	$2	Jan. 16	Dec. 23
B. C. Elec. Rly., pf.	2½%	Jan. 16	Jan. 5
B. C. Power, A	50c	Jan. 14	Dec. 31
Brazilian Tr., pf.	$1.50	Jan. 3	Dec. 15
Bk. of N. Scotia	$3	Jan. 3	Dec. 16
Beattie Gold	5c	Dec. 20	Dec. 5
Belding Cort.	$1	Jan. 3	Dec. 15
Do., pref.	$1.75	Jan. 3	Dec. 15
Bright, T. G.	7½c	Dec. 15	Nov. 30
Do., pref.	$1.50	Dec. 15	Nov. 30
Calgary & Edmon.	8c	Dec. 15	Nov. 15
Canada Bud Brew.	20c	Dec. 12	Dec. 3
Can. Nor. Pwr., pf.	$1.75	Jan. 16	Dec. 31
Do., com.	30c	Jan. 25	Dec. 31
Can. For. Invest., pf.	$2	Jan. 1	Dec. 15
Can. Gen. Elec., c.	$1.50	Jan. 2	Dec. 15
Canadian Car, pf.	44c	Jan. 10	Dec. 23
Can. Wire & C. pf.	$1.62½	Dec. 15	Nov. 30
Can. Malartic	3c	Dec. 20	Dec. 5
Canada Malting	37½c	Dec. 15	Nov. 30
Do., bonus	50c	Dec. 15	Nov. 30
Cosmos Imp., pref.	$1.25	Jan. 14	Dec. 31
Canadian Oil, pf.	$2	Jan. 2	Dec. 20
Cons. Div. Std. Sec., pf.	37½c	Dec. 15	Nov. 30
Can. Cottons	$1	Jan. 2	Dec. 16
Do., pref.	$1.50	Jan. 2	Dec. 16
Coniaurum Mines	*5c	Dec. 21	Dec. 1
Chartered Trust	$1	Jan. 3	Dec. 15
Do., extra	$1	Jan. 3	Dec. 15
Canada Cement, pf.	$1	Dec. 20	Nov. 30
Can. Perm. Mtge.	$2	Jan. 3	Dec. 15
Can. & For. Secs.	6c	Feb. 1	Jan. 16
Can. Inger.-Rand, c.	$1.50	Dec. 5	Nov. 15
Cariboo Gold	2½c	Jan. 3	Dec. 7
Do., extra	2½c	Jan. 3	Dec. 7
Comm. Alcohols, pf.	10c	Jan. 15	Jan. 2
David & Frere, A	15c	Dec. 31	Dec. 15
Do., bonus	10c	Dec. 31	Dec. 15
Distil.-Seag.	50c	Dec. 15	Dec. 8
Do., pref.	$1.25	Feb. 1	Jan. 20
Dominion Coal, pf.	38c	Jan. 2	Dec. 15
Dominion Glass	$1.25	Jan. 3	Dec. 15
Do., pref.	$1.75	Jan. 3	Dec. 15
Dominion Bank	$2.50	Jan. 3	Dec. 20
Dom. Textile	$1.25	Jan. 3	Dec. 15
Do., pref.	$1.75	Jan. 16	Dec. 31
English Elec., A	62½c	Dec. 15	Nov. 30
Falconbridge N.	7½c	Dec. 20	Dec. 8
Ford Motor, A & B	25c	Dec. 17	Nov. 26
Firestone Pete.	1½c	Dec. 3	Nov. 21
Foundation Pete.	3/10c	Dec. 3	Nov. 21
Electrolux	40c	Dec. 15	Nov. 15
East. Theatres, c.	*50c	Dec. 15	Dec. 1
Grouped Inc. Shs., A	8c	Nov. 30	....
Goodyear Tire	63c	Jan. 3	Dec. 15
Do., extra	$5	Dec. 29	Dec. 15
Do., pref.	62½c	Jan. 3	Dec. 15
Gatineau Power, pf.	$1.25	Jan. 1	Dec. 1
Do., com.	20c	Dec. 15	Nov. 19
Gen. St'l Wares, p.	•$3.50	Dec. 15	Dec. 1
Growers' Wine	5c	Dec. 15	Dec. 10
Gurd, Chas.	*30c	Dec. 15	Dec. 1
Ham. Un. Theat., pf.	$1.50	Dec. 31	Nov. 30
Hedley Mascot	3c	Jan. 3	Dec. 1
Do., extra	1c	Jan. 3	Dec. 1
Hudson Bay M.	75c	Dec. 12	Nov. 18
Inter. Nickel, c.	50c	Dec. 31	Dec. 2
Imperial Tob.	10c	Dec. 31	Dec. 9
Inter City Bak.	$1.75	Dec. 10	Dec. 1
Jam. Pub. Service	43¾c	Jan. 3	Dec. 15
Do., pref.	$1.75	Jan. 3	Dec. 15
Lake Shore Mines	$1	Dec. 15	Dec. 1
Lamaque Gold	10c	Jan. 2	Dec. 20
Landed Bkg.	$1.25	Jan. 3	Dec. 15
Lava Cap. M.	3c	Dec. 22	Dec. 10
Louisiana Land., c.	10c	Dec. 15	Dec. 1
Mtl. Loan & Mtge.	50c	Dec. 15	Nov. 30
MacKinnon Steel, pf.	▲$1.75	Dec. 15	Nov. 30
Montreal Cottons	50c	Dec. 15	Nov. 30
Do., pref.	$1.75	Dec. 15	Nov. 30
Melchers Dist., pf.	30c	Dec. 31	Dec. 15
Macassa Mines	5c	Dec. 15	Nov. 30
Do., extra	5c	Dec. 15	Nov. 30
Monarch Rylts.	¾c	Dec. 3	Nov. 21
McKenzie R. Lake	3c	Dec. 15	Dec. 1
Marcus Loews, pf.	▲$1.75	Dec. 15	Dec. 3
Do., ex. on arrears	$1.75	Dec. 15	Dec. 3
Nat. Biscuit	40c	Dec. 15	Nov. 15
National Brew.	50c	Jan. 3	Dec. 15
Do., pref.	43c	Jan. 3	Dec. 15
Neon Pr. Invest.	25c	Dec. 20	Dec. 5
Northern Empire	30c	Dec. 12	Dec. 5
N. S. Light, c.	$1.50	Jan. 3	Dec. 17
Noranda Mines	$2	Dec. 22	Dec. 5
Paymaster Cons.	1c	Jan. 16	Dec. 31
Prairie Rltys.	2c	Dec. 3	Nov. 21
Perron Gold	*4c	Dec. 21	Dec. 1
Do., extra	1c	Dec. 21	Dec. 1
Pioneer Gold (B.C.)	10c	Jan. 3	Nov. 26

Alberta Wheat Pool Net Higher for Past Year

Operations of the Alberta Wheat Pool for the year ended July 31, 1938, showed net operating earnings of $33,420. This compares with an operating deficit of $371,696 in the previous year. R. D. Purdy, general manager, expects that the better wheat crop in Alberta this year will result in larger handlings of grain at the pool elevators.

In the year ended July 31, 1938, the Pool elevators in Alberta handled 23.3 million bushels compared with 19.5 million bushels the previous year. Marketings of grain by the Alberta Pool organization amounted to 26.7 million bushels, compared with 20.9 million bushels in the previous year.

DIVIDEND NOTICES

The Royal Bank of Canada

ANNUAL MEETING

THE Annual General Meeting of the Shareholders of the Bank will be held at the Head Office, 360 St. James Street West, in the City of Montreal, on Thursday, the 12th day of January, 1939, at 11 o'clock a.m.

S. G. DOBSON, General Manager.

Montreal, December 1, 1938.

Reno Gold Mines Limited (N.P.L.)

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that a dividend of one and one-half (1½c) cents per share has been declared payable to shareholders of the Company of record as such on the books of the company at the close of business on Saturday, the 10th day of December, 1938, and that the dividend will be payable on or after the 3rd day of January, 1939.

The Register of Transfers will be closed at the close of business on the 10th December, 1938, until the opening of business on the 20th December, 1938.

By Order of the Board,

W. A. SUTTON, Secretary-Treasurer.

Vancouver, B.C., November 21st, 1938.

DIVIDEND NOTICE

Canadian General Electric Company, Limited

Notice is hereby given that a dividend of one dollar and fifty cents per share for the quarter ending December 31, 1938, has been declared on the Common Stock of the Company.

That above dividend is payable on January 2, 1939, to shareholders of record at the close of business on December 15, 1938.

By Order of the Board.

W. H. NESBITT, Secretary.

Toronto, November 25, 1938.

The Bell Telephone Company of Canada

NOTICE OF DIVIDEND

A dividend of Two Per Cent (2%) has been declared payable on the 16th day of January, 1939, to shareholders of record at the close of business on the 23rd of December, 1938.

F. G. WEBBER, Secretary.

Montreal, November 23, 1938.

Siscoe Gold Mines Limited

NOTICE OF DIVIDEND No. 27

NOTICE IS HEREBY GIVEN that a dividend of four cents (4c) per share on the issued capital stock of Siscoe Gold Mines Limited has been declared payable on December 15th, 1938, to shareholders of record at the close of business on the 30th day of November, 1938. The stock transfer books of the company will be closed from December 1st to December 15th, inclusive, for the purpose of the payment of the said dividend.

By Order of the Board,

H. E. GREEN, Secretary-Treasurer.

Montreal, November 22nd, 1938.

BATHURST POWER & PAPER CO., LTD.

NOTICE OF DIVIDEND ON CLASS "A" SHARES

Notice is hereby given that a Dividend of Twenty-five Cents (25c) per share on the outstanding Class "A" Shares of the Company has been declared payable on the 19th day of December, 1938, to shareholders of record at the close of business on the 10th day of December, 1938.

H. J. WEBB, Secretary-Treasurer.

Montreal, November 24th, 1938.

Dividends Declared (Cont'd)

Power Corp.	30c	Dec. 21	Dec. 3
Do., pref.	$1.50	Jan. 16	Dec. 31
Do., 2nd pref.	75c	Jan. 16	Dec. 31
Reno Gold	1½c	Jan. 3	Dec. 10
Remington-Rand	20c	Jan. 3	Dec. 9
Do., pref.	$1.12½	Jan. 3	Dec. 9
Royal Can. Oils	‡1c	Dec. 21	Dec. 10
Siscoe Gold	4c	Dec. 15	Nov. 30
Smith, H., Pap., pf.	$1.50	Jan. 16	Dec. 31
Sylvanite Gold	5c	Dec. 30	Nov. 21
Sunset Oils	*2½c	Dec. 15	Nov. 30
St. Law. Corp. pf. A	▲50c	Dec. 15	Dec. 1
Simon & Sons	15c	Dec. 30	Dec. 15
Do., pref.	$1.75	Dec. 30	Dec. 15
South. Am. Gold	10c	Dec. 20	Dec. 10
Sullivan Cons.	2½c	Dec. 15	Nov. 30
Sher.-Williams, pf.	▲$1.75	Jan. 3	Dec. 15
Sovereign Life	$1.25	Dec. 15	Dec. 1
Do., 20% pd.	$1.00	Dec. 15	Dec. 1
Sullivan Cons.	2½c	Dec. 15	Nov. 30
South Can. Pwr.	20c	Feb. 15	Jan. 31
Do., pref.	$1.50	Jan. 16	Dec. 20
Teck-Hughes	10c	Jan. 2	Dec. 9
Tor. Gen. Trusts	$1	Jan. 3	Dec. 17
Trans. Can. Shs., A	0.238	Dec. 1	....
Toronto Elev., pfd.	66c	Dec. 7	Nov. 23
Union Gas	20c	Dec. 15	Nov. 21
Un. Gold Eq., st. c.	5c	Dec. 15	Dec. 5
Ventures	10c	Jan. 4	Dec. 16
Vulcan Oils	5c	Dec. 15	Dec. 5
Weston, Geo., c.	20c	Jan. 2	Dec. 15
H. Walker	$1	Dec. 15	Nov. 25
Do., pref.	25c	Dec. 15	Nov. 25
Wr.-Hargreaves	10c	Jan. 3	Nov. 23
Do., extra	5c	Jan. 3	Nov. 23
Do., interim	10c	Jan. 16	Dec. 1

*Interim. ‡Initial. ▲On arrears. •For six months May 1, to Oct. 31, 1938

Dividends Passed:

McColl-Frontenac, com., due Dec. 15—Last paid 10c Sept. 15, 1938.

A. J. PATTISON JR. & CO. Ltd.
Established 1907
CORPORATION SECURITIES
Royal Bank — EL. 5101
TORONTO

Proposes Cut In Dividends

Blue Ribbon Preferred Shareholders to Consider Reduction to 5%

A special meeting of the preferred shareholders of Blue Ribbon Corp. has been called for Dec. 12 to consider a proposal to reduce the dividend rate from 6½ to 5%, and wipe out arrears by increasing redemption price of the shares from $52.50 to $61.25. If the plan is adopted, dividends would be paid at the 5% rate from Nov. 1, 1938.

It is also proposed to have the preferred shares participate with the common shares, share for share, in any dividend paid on the common, and preferred shares are to participate with the common in any privilege granted in respect of any further issue of shares. Dividend arrears at Nov. 1, 1938, on the $50 par value preferred shares amounted to $1.75 a share.

In a letter to shareholders, it is stated that operations since the end of the fiscal year, June 30, 1938, have shown a considerable improvement over the previous year and the hope is expressed that unless there is a substantial setback, earnings will show an increase over 1938.

The proposed by-law provides for the increase of the capital by the creation of an additional 10,000 preferred shares.

The letter further states that upon issuance of supplementary letters patent the company intends to declare the quarterly dividend due Feb. 1 at the rate of 62½ cents a share, instead of 50 cents a share paid before.

DIVIDEND NOTICES

The Dominion Bank

Dividend No. 225

Notice is hereby given that a Dividend of two and one-half per cent upon the paid up Capital Stock of this Institution has been declared for the quarter ending 31st December, 1938, making a total distribution of ten per cent for the current year — the Dividend will be payable at the Head Office of the Bank and its Branches on and after Tuesday, the third day of January, 1939, to shareholders of record of the 20th December, 1938.

By Order of the Board.

ROBERT RAE, General Manager.

Toronto, 17th November, 1938.

THE CANADIAN BANK OF COMMERCE

The annual meeting of the shareholders of this Bank, for the election of Directors and for other business, will be held at its banking house, No. 25 King Street West, Toronto, on Tuesday, the 13th day of December next.

The chair will be taken at 2.30 o'clock p.m.

By order of the Board,

A. E. ARSCOTT, General Manager.

Toronto, 14th October, 1938.

DIVIDEND

Chartered Trust and Executor Company

Notice is hereby given that a dividend of 1% has been declared on the paid-up Capital Stock of Chartered Trust and Executor Company for the quarter ending December 31st, 1938, together with an additional payment of 1% for the year ending December 31st, 1938, payable January 1st, 1939, to shareholders of record at the close of business December 15th, 1938.

By Order of the Board.

E. W. McNEILL, Secretary.

Dated at Toronto, November 17, 1938.

Imperial Tobacco Company of Canada, Limited

DIVIDEND

NOTICE IS HEREBY GIVEN that an Interim Dividend (No. 130) of ten cents (10c) per share on the paid-up Ordinary Shares of the Company has been declared payable on Saturday, the 31st day of December, 1938, to shareholders of record at the close of business on Friday, the 9th day of December, 1938.

By Order of the Board,

F. P. L. LANE, Secretary.

Montreal, P.Q. 25th November, 1938.

DIVIDEND NOTICE

HIRAM WALKER-GOODERHAM & WORTS LIMITED

DIVIDEND NO. 56

A quarterly dividend of 25¢ a share has been declared on the outstanding no par value Cumulative Dividend Redeemable Preference Stock of this company, payable Thursday, December 15, 1938 to shareholders of record at the close of business on November 25.

DIVIDEND NO. 57

A quarterly dividend of $1.00 a share has been declared on the outstanding no par value Common Stock of this company, payable Thursday, December 15, 1938 to shareholders of record at the close of business on November 25.

By Order of the Board.

FLETCHER RUARK, Secretary.

Walkerville, Canada November 19, 1938.

UNDER THE MANAGEMENT OF POWER CORPORATION OF CANADA LIMITED

Canada Northern Power Corporation, Limited

The Board of Directors has declared this day the following dividends:

7% Cumulative Preferred Stock

No. 56, quarterly, $1.75 per share, payable January 16th, 1939,

No Par Value Common Stock

No. 38 quarterly, 30c. per share, payable January 25th, 1939,

to holders of record at the close of business December 31st, 1938.

L. C. HASKELL, F.C.I.S., Secretary.

November 22nd, 1938.

Dominion Glass Company Limited

NOTICE OF DIVIDENDS

Notice is hereby given that a dividend of one and three-quarters per cent (1¾%) has been declared on the PREFERRED STOCK of the Company for the quarter ending the 31st day of December, 1938.

Notice is also hereby given that a dividend of one and one-quarter per cent (1¼%) has been declared on the COMMON STOCK of the Company for the quarter ending the 31st day of December, 1938.

The above Dividends are payable on Tuesday, the 3rd day of January, 1939, to Shareholders of record at the close of business, Thursday, the 15th day of December, 1938.

By Order of the Board.

MERVYN OFFER, Secretary.

Montreal, 22nd November, 1938.

Man. Answers Ontario Claim

Bracken Says No Account Rendered for Alleged Loss from Tariff

In making a final submission to the Royal Commission on Dominion-Provincial Relations, Premier John Bracken, of Manitoba, suggested Ontario and Quebec has benefitted as much from the opening up of western Canada as did the West itself.

He made this point in answering the criticism of the Manitoba brief made by Premier Mitchell Hepburn of Ontario at the Toronto sittings of the Commission last May. From its inception, Premier Bracken pointed out, the West has been a continuous market for Ontario and Quebec to a much greater extent than they have been a market for western Canada. For this reason, he suggested it was in the interests of Ontario and Quebec to support policies favoring development and preservation of western Canada on a sound basis.

The Manitoba premier denied the suggestion of the Ontario submission that the wheat problem confronting Canada at present had its origin in the Prairie Provinces. International rather than domestic forces are responsible for the wheat situation, he said.

No Account Rendered

Strenuous objection was taken by Premier Bracken to Premier Hepburn's description of Manitoba's calculation of its losses from operation of Dominion tariff and monetary policies as "accounts rendered." In this connection he said:

"For the purposes of this Commission, the burdens resting on the people of the Prairie Provinces from the tariff and the monetary policies of the Dominion Government are relevant only as they reduce the financial capacity of the provincial governments. These policies are in part responsible for the financial difficulties in which the Prairie Province governments find themselves, and it is for that reason, and that reason alone, that we emphasize them here."

Douglas Stalker Named Hotel Representative

Douglas A. Stalker has been appointed by Henry L. Doherty Florida Hotels and Club Properties as Canadian representative of their southern hotels—British Colonial Hotel, Nassau; Roney Plaza, Miami Beach; Palm Beach Biltmore, Palm Beach; Whitehall, Palm Beach; The Miami Biltmore, Coral Gables-Miami; Key Largo Anglers Club, Key Largo, Fla.

D. A. STALKER

Mr. Stalker, who is Canadian-born, has spent the past 10 years studying various hotels and their management. He now returns to Canada and is opening an office in Toronto, for the Doherty Hotels as well as the Hotel Ambassador, New York; Huntington Hotel, Pasadena, Cal.; Ritz Carlton, Montreal; Savoy, Claridge's and Berkeley Hotels of London, Eng.

Dauphin, Man.—Receipts of the town for the period ended Oct. 31, 1938, exceeded disbursements by $4,124. Gross debenture debt at Oct. 31 amounted to $310,011. Sinking fund totalled $5,360, leaving a net debenture debt of $304,651.

DIVIDEND NOTICES

Borden's

COMMON DIVIDEND No. 115

The final dividend for the year 1938 of forty cents (40¢) per share has been declared on the outstanding common stock of this Company, payable December 20, 1938, to stockholders of record at the close of business December 5, 1938. Checks will be mailed.

The Borden Company

E. L. NOETZEL, Treasurer

GENERAL STEEL WARES Limited

DIVIDEND NOTICE

Notice is hereby given that a Dividend of $3.50 per share on the outstanding 45,000 shares of 7% Cumulative Participating Preferred Stock of a par value of $100.00 each of General Steel Wares Limited, has been declared, payable on the 15th day of December, 1938, to shareholders of record at the close of business on the first day of December, 1938, being a Cumulative Dividend at the rate of 7% per annum in respect of the six months' period commencing first day of May, 1938, and ending the 31st day of October, 1938.

By order of the Board.

F. S. BROPHY, Secretary.

Montreal, November 21st, 1938.

CANADA PERMANENT MORTGAGE CORPORATION

Notice is hereby given that a Dividend of TWO PER CENT, on the paid-up Capital Stock of the Corporation has been declared for the current quarter, and that the same will be payable

TUESDAY, THE THIRD DAY OF JANUARY next, to Shareholders of record at the close of business on the Fifteenth day of December, 1938.

By order of the Board.

Walter F. Watkins, Secretary.

Toronto, November 16th, 1938.

Week in Wheat

Big Exports Continue Though Price Unsteady

Weekly Shipments Out of Canada Are Averaging Over Five Million Bushels — American Shipments Lag

From Our Own Correspondent

WINNIPEG.—Although prices continue unsteady, heavy movement of wheat eastward is being maintained. Exports last week totalled over 5.6 million bushels and for a month have averaged above five.

If maintained for the next few months total export clearances will be much larger than anticipated earlier in the season and carryover next July 31 correspondingly smaller.

Big Absorption

A remarkable feature of the trade is the high rate at which Canadian wheat is being absorbed as compared with the small volume of United States exports, in spite of almost desperate efforts of that country to promote exports by heavy subsidies. The principal difficulty of the United States lies in the fact that the export trade of that country used to be more largely in the form of flour. Flour imports as compared with wheat are discriminated against in a very large number of world markets. The types of wheat on which efforts of the administration are largely concentrated at the moment are not types which overseas millers ordinarily want to use in their milling mixes. Besides all wheat is so cheap at the present time that even substantial discounts do not induce millers to switch from Canadian wheat to such types.

* * *

Current Purchases

Current shipments of Canadian wheat are covered very largely by current purchases. Forward purchases made some time ago have been very largely cleaned up. Comparatively little advance business is being booked. Overseas millers and merchants are evidently awaiting developments in connection with the marketing of Argentine and Australian crops. The former is now credited with a probable production of 280 million bushels well above the average, which offsets the comparatively small crop of 140 million bushels now attributed to Australia. Even the latter may prove to be much too large for available outlets, if Australia's usual Oriental markets are shut off on account of conditions in China. Australia has recently been shipping some quantities of wheat to southern India, which tends to offset the small volume of exports from northern India earlier in the season.

* * *

Argentine Fixed Price

Whether Argentine wheat will largely pass through the hands of the government wheat board of that country, or whether it can be handled without such intervention is still somewhat doubtful. The Argentine fixed price of seven pesos per quintal is calculated to be about 59 cents current rates of exchange. A considerable drop, however, in the value of the peso is possible as in previous years it has been the policy of the Argentine Government to recover any losses on its wheat operations through the manipulation of foreign exchange. On a basis of current markets and current quotations, the government fixed price seems to promise a loss of perhaps 10 cents a bushel.

The peso is likely to be affected downward by the recent decline in sterling. While sterling stayed at $5.01 last June and $4.87 at the end of September, it has recently declined to $4.66 in Canadian funds. The effect on wheat prices appears to have been split. Too, it has occasionally been attributed to some slight accession of strength in British prices. The tendency on the whole appears to have been the weakening of prices elsewhere.

* * *

The Buffalo Route

Removal of the British duty on wheat has not as yet led to any movement for storing Canadian wheat at Buffalo, although the use of the Buffalo route may possibly develop next spring. Lake rates have recently been holding at the maximum basis of 7 cents a bushel for Montreal, established by the Board of Grain Commissioners, although with Montreal full, current movements down the lakes are destined to other eastern ports.

Vancouver is doing a fair but limited share of the export shipping of Canadian wheat, although it is evident from the extent to which Alberta wheat has been ordered shipped east by the Canadian Wheat Board, that it expects Vancouver's share of the trade to remain comparatively small.

The very low prices currently prevailing in oats and barley are enabling some quantities to be shipped overseas mainly to the British market.

Push Peace Through Trade Says Business Machines Head

Only through restoration of world trade can there be obtained world peace and prosperity, Thos. J. Watson, president of the International Chamber of Commerce told a Toronto audience this week. Mr. Watson, who is also president of International Business Machines Corp. was guest speaker at a special luncheon which marked the opening of the new executive offices and show rooms of his company in Toronto.

T. J. WATSON

As a preliminary move to pave the way for greater trade, Mr. Watson stated that there must be international stabilization of currencies, limitation of armaments and improvement in the distribution of raw materials. All nations, he said, must be in a position to contribute to world trade improvement and all must have the opportunity of sharing in the resulting prosperity.

The speaker commended the peace efforts of Premier Chamberlain at Munich in this direction and he also stated that the recent three way trade agreements signed at Washington constituted another step.

"The talents of the people, the quality of the soil and the natural resources of the world are distributed unequally," said Mr. Watson. "This makes it possible for some countries to produce certain things to better advantage than others. We must consider adjustment of the situation so that these countries can sell their goods, and in turn purchase the things that they are not able to produce to advantage.

DIVIDEND NOTICES

The Ontario Loan and Debenture Company

206th DIVIDEND

Notice is hereby given that a QUARTERLY DIVIDEND of $1.25 per share for the current quarter ending 31st December, 1938, has been declared on the paid-up Capital Stock of this Company and will be payable at the Company's Office, London, Ontario, on the 3rd January, 1939, to Shareholders of record of the 15th December, 1938.

By Order of the Board.

T. H. MAIN, Manager.

London, Ontario, 29th November, 1938.

SIMON'S

H. Simon & Sons Limited

Dividend Notice

A Dividend of $1.75 per share has been declared upon the outstanding 7% Cumulative Preferred Stock of H. SIMON & SONS LIMITED, said Dividend to be payable on the 30th day of December, 1938, to shareholders of record at the closing of business on the 15th day of December, 1938, also an Interim Dividend of 15 cents per share has been declared upon the outstanding No Par Value Common Stock of H. SIMON & SONS LIMITED, said Dividend to be payable on the 30th day of December, 1938, to shareholders of record at the closing of business on the 15th day of December, 1938.

By order of the Board,

EDWARD SIMON, Secretary.

Montreal, November 28, 1938.

McManus Petroleums Ltd.

Dividend Notice

NOTICE IS HEREBY GIVEN that a dividend of 30c per share for the half-yearly period ending December 31st, 1938, (being at the rate of 6% per annum on the issuance price of said shares), has been declared upon the cumulative fully participating preference shares without any nominal or par value in the capital stock of the Company, payable on January 3rd, 1939, to shareholders of record Saturday, December 24th, 1938.

By Order of the Board.

F. J. MOORE, Secretary-Treasurer.

London, Ontario, November 24, 1938.

Maple Leaf Milling Plant Replacement is Uncertain

No decision has been reached by Maple Leaf Milling Co. as to what it intends to do about replacing the mill, elevator and warehouse of the company at Kenora, Ont. that were destroyed by fire Nov. 22, 1938.

The damage, estimated at $500,000 was covered by insurance.

There is no immediate need to replace this mill, it is said, as the company's busy season is now over. The loss of the plant, with capacity of 3,000 barrels daily will not place any overdue stress on the remainder of the company's facilities.

This plant was one of six having a combined daily capacity of 20,500 barrels daily.

Maple Leaf Milling has issued 3,170 class A preferred shares at Dec. 1, 1938, to the company's bankers in lieu of interest on the bank loan, in accordance with the capital reorganization.

Commodities

No significant changes appear in leading commodities this week. Industrial items are generally a shade weaker, also most sensitive lists and futures. On the other hand, there have been fractional gains in wheat and hogs which have combined to move the official Canadian index up a trifle.

	Latest week	Previous week	Same week last yr.
Cattle	$6.50	$6.75	$7.50
Hogs	8.90	8.35	8.75
Copper, lb.	.11¼	.11½	.11
Cotton, lb.	.0904	.0897	.0822
Rubber, lb.	.1555	.1606	.1456
Sugar, raw, lb.	.03	.0305	.0333
Silk, lb.	1.76½	1.80	1.56½
Wheat, Man. (bus.)	.59	.58⅝	1.30⅝
Coffee, lb.	.05½	.05½	.06¼
Hides	.12	.12¾	.09½
Weekly Indices			
Canada (D.B.S.)	73.6	73.5	83.5
Do., Wood, Gundy	55.8	56.7	65.2
U. S. Labor	77.3	77.4	82.9
Dow Jones (future)	47.89	48.25	52.77
Crumps (Brit.)	71.7	71.7	77.0
Fisher's	80.5	80.4	85.1
Monthly Indices			
Canada (D.B.S.)			
Retail (Oct.)	83.8	84.0	84.3
W'sale (Oct.)	74.1	74.5	84.7
U. S. (Sept.)	78.3	78.1	87.4
Gt. Brit. (July)	100.6	100.7	111.5

Note: The base of indices is that 1926 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle—Steers, good, over 1,050 lb., top price, Toronto. Copper-electrolytic, New York. Silk—Crack db., 13-15 New York. Sugar—96 degrees centrifugal c/f New York. Wheat—No. 1 man. North., Ft. W.-Pt. A. Basis. Hides—No. 1 packer light.

Predicting Small Harvest Of American Winter Wheat

WINNIPEG.—One United States observer estimates that the American winter wheat crop next season will fall below 500 million bushels. Total this year was almost 700 million.

This present low estimate is based partly on the present poor condition of the crop, which went into winter quarters suffering from lack of moisture and substantial acreage reduction.

This observer calculates a reduction of 9 million acres, partly due to low prices and partly to the government curtailment programme. However, such considerations are not yet having any effect on the market which sees only large supplies of wheat elsewhere available.

West Canadian Hydro Profit Higher in Year

From Our Own Correspondent

VANCOUVER.—Net profit of West Canadian Hydro-Electric Corp., successor of Canadian Public Service Corp. in the Okanagan utility field, amounted to $36,847 during the year ended June 30, according to reports issued here by Managing Director David Grierson.

HALLET - CAREY - SWART LIMITED
GRAIN - STOCKS - BONDS
Exporters - Grain Futures
Head Office — WINNIPEG, Man.
Branch — FORT WILLIAM, Ont.

DEPENDABLE
THE ALBERTA PACIFIC GRAIN Co. Ltd.
LICENSED AND BONDED WITH THE BOARD OF GRAIN COMMISSIONERS

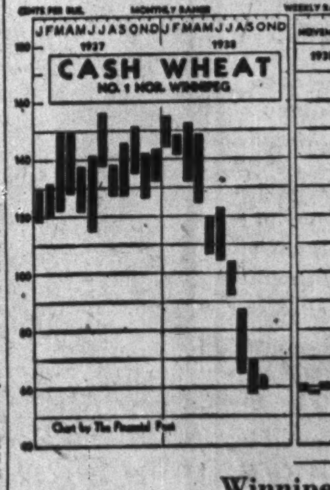
GRAIN MERCHANTS In World Trade
Owning and Operating Terminal Elevator at Port Arthur (Capacity 5,500,000 bushels)
Over 200 Elevators in Western Canada
EST. 1857
SHIPPERS & EXPORTERS
JAMES RICHARDSON & SONS Limited

McCABE BROS. GRAIN CO. LTD.
WINNIPEG, MAN.
Grain Commission Merchants — Shippers and Exporters — All Grains-Sacked Feeds
Country and Terminal Elevator Operators
Grain Merchandising
MANITOBA - SASKATCHEWAN - ALBERTA
Offices: DULUTH - MINNEAPOLIS

N. M. PATERSON & COMPANY LTD.
Own and Operate
One Terminal Elevator in Fort William
109 Country Elevators
Total Storage Capacity 6,925,000 bus.
31 Vessels on the Great Lakes
Total Carrying Capacity 4,500,000 bus. per trip
Head Office: FORT WILLIAM, ONT.

EXECUTORS MONTREAL TRUST COMPANY TRUSTEES
Montreal Trust COMPANY
61 Yonge St., Toronto
J. F. Hobkirk, Manager
ADMINISTRATORS
TRANSFER AGENTS
REGISTRARS • RECEIVERS

Wheat Prices



(Cash Quotations)

	For Week Nov. 29 High	Low	Prev. Week High	Low
1 Hard	.59¾	.59	.61⅛	.58⅞
1 Northern	.59½	.59	.60⅞	.58⅝
2 Northern	.56⅝	.56	.57⅞	.55⅝
3 Northern	.52⅝	.51	.54⅛	.51⅞
4 Northern	.45¾	.44⅝	.47⅛	.44⅞
5 Wheat	.40¾	.38⅝	.42⅛	.39⅞
6 Wheat	.35¼	.33⅞	.36⅝	.33⅞
Feed Wheat	.34¼	.32⅞	.35⅝	.33⅞

Competitive Export Prices: Dec. shipments.

	Week to Nov. 29 High	Low
No. 1 North. (St. John)	.81⅞	.79⅝
No. 3 North. (St. John)	.73½	.74⅛
No. 2 U. S. Yellow‡	.60⅝	.59⅞
U. S. White Pac. (afloat)	.61	.61
Australian (afloat)	.68¾	.66⅞
Argentine Rosafe†	.67¼	.65⅝
Roumanian	.49¾	.48⅝

‡Hard winters, Jan. †New crop shippers' offers Jan.-Feb.

Winnipeg Grain Futures

Week to Nov. 29, 1938

Crop year from Aug. 1, 1938 High	Low		Open Nov. 23	High for week	Low for week	Close Nov. 29	Close year ago
		Wheat					
.77¼	.56¾	Nov.	.58¾	.59¾	.58¾	.....	1.12⅝
.76⅝	.56	Dec.	.58	.59⅛	.57¾	.58⅛	1.10⅝
.79⅛	.60½	May	.61¼	.61⅞	.61	.61¾	1.10⅛
.83⅛	.60¼	July	.61¾	.62⅝	.61¾	.62½	1.06⅝
		Oats					
.31½	.23¾	Dec.	.27¼	.28⅛	.27¼	.28⅛	.44¼
.33¼	.27½	May	.28	.29⅛	.28	.29⅛	.43⅜
.28¾	.27⅞	July	.28⅛	.28⅝	.27⅞	.28⅝	.41⅝
		Barley					
.44⅛	.33¼	Dec.	.35⅝	.36¼	.35⅝	.36¼	.56⅝
.44⅝	.34⅝	May	.36⅛	.37½	.36⅛	.37⅝	.56⅝
.37¼	.36⅝	July	.....	.37¼	.36⅝	.37	.56⅝
		Flax					
1.40½	1.29	Nov.	.....	1.40⅛	1.38	.....	1.67¼
1.41½	1.35¼	Dec.	1.38	1.39¼	1.37¼	1.39	1.67⅝
1.40	1.29¾	May	1.36¾	1.37½	1.36⅛	1.37⅛	1.70⅛
		Rye					
.47⅞	.36⅝	Dec.	.....	.38¾	.37⅛	.37⅝	.70⅛
.47⅝	.39⅛	May	.40½	.40⅞	.40	.40⅛	.72⅝
.41⅝	.40⅛	July	.....	.41⅝	.40⅛	.41	.73⅝

This Canadian Market Worth $100 Millions a Year

That is Amount Mines Spent In 1937 for Supplies, Wages

By R. A. McEACHERN
Staff Writer, The Financial Post

"If you can't fight, lend your money."

"Our dollar bills will beat Kaiser Bill."

Those are victory bond slogans from the tragic years.

"Invest in a mine and build Canada" is a slogan yet to be tried.

When governments pile up debt, when loud voices and powerful forces clamor for sectional rights, Canada's mine-makers

—are swiftly changing the nation from an agricultural into a mining community

—are building industrial empires in the wilderness

—are creating model towns

—are creating opportunity for thousands of Canadian families

—are the main factor in keeping stable the whole Canadian business structure

—are perhaps the most powerful industrial force making for national unity.

$205,000,000

Last year direct payments made by Canadian mines in wages, supplies and dividends totalled $205 millions.

How much additional mining contributes to the national economy through the new communities it creates, the new lines of trade it establishes, cannot be well estimated.

Probably $5 millions of the mines expenditure for supplies is paid outside Canada. Around $15 millions in the form of dividends goes to British, American and foreign investors, a goodly proportion of that amount coming back into new mining enterprises.

Here, roughly, is where the mine dollar goes:

Wages	40 cents
Groceries, food	12 cents
Lumber, cement, building materials	8 cents
Explosives, fuel	10 cents
Mining and mill machinery	20 cents
Taxes	10 cents

The average Canadian who has a job turns out in a year production worth about $1,300. The average miner's production in a year is around $12,500.

Mines and Population

Studies by the Manitoba Chamber of Mines show roughly the ratio between mine employees and community population. When mine production is two years away, each mine employee means 1½ persons in the community population. When production is a year away, the ratio has grown to 2¼. When the mill stage is reached, the ratio is 2¾. That is, for every 100 men employed by mines, the immediate community population is 275. In years following the ratio continues to grow to 4½, 5½, probably more.

So that the story of what the mines spend, of how many men they employ, is not even half the story of what they mean to the nation in new wealth, in the creation of new opportunity for Canadians and Canadian business.

The gold and base metal mines of Canada spend around $60 millions a year in wages and salaries. These mines employ around 40,000 workers. Wages are relatively good, but living costs in the mine country tend to be high and the miner is traditionally a good spender. It would seem a fair assumption that Canada's miners spend $45 to $50 millions of their gross yearly income, the vast proportion of it in Canada.

High Standard of Living

In appraising the mine country market, it must be remembered that mines create not villages, with rural standards of living, but cities with a standard of living involving frequent visits to the movies and the hairdresser.

Motor cars and radios are big items of mine country purchases. Climate and roads, plus the habit of the average miner, make for an enormous motor car market. It has been estimated that the mine country car owner changes his car twice as often as the owner in other parts of Canada. Tires survive flinty northern roads hardly half as long as elsewhere.

What the Mines Spend

Take the other side of the picture—what the mining companies spend.

In 1937 direct expenditures of the precious metal mines of Canada, for supplies and equipment and other items, totalled $40.6 millions, an increase of more than 40% over expenditures for the same goods in 1935.

Largest single item in that great volume is explosives, $4.7 millions. Mines take nearly all the Canadian output of this nation's eight explosives plants, which give employment to some 1,600 workers.

Mines paid $4.5 millions for electric power. This naturally is not a large proportion of the total electric power consumed by the whole nation. The significant contribution of the mines here, however, is that a score of great power sites have been harnessed, and hundreds of miles of power lines have been built through the wilderness, a standing inducement to the opening up of new mine enterprises, the establishment of new centres of community life.

Lumber and timber of all kinds cost the mines in 1937 some $2.9 millions. Great square timbers of B.C. fir are still standard for mine shafts and for some kinds of underground timbering. Most of this timber must be transported thousands of miles.

Transportation

Mines and miners have created rich new arteries of transportation. It is the mines that have made Canada the leading air freight country in the world; that have brought the shadow of the Arctic circle only a day's journey away from the great centres of Canadian life. New railway lines have been built to serve new transportation demands.

Last year mines paid directly to railroads and their express companies more than $2.4 millions. This does not take into account the rich passenger traffic created by mines. For the goings and comings of mine executives, engineers and financial representatives are frequent.

What airplanes have meant to Canadian mine development—and what mines have meant to airplane enterprise—is axiomatic in the story of Canadian growth.

In the years 1931 to 1937, freight handled by Canadian airplanes increased by the amazing figure of 1,150%. Whether the volume of air traffic for 1938 will be as great as last year is still a question. Mine developments in Red Lake last year ran up a very sizable tonnage. Less development activity this year in some of these far-away mine camps probably was taken up by this summer's activity in the Yellowknife. But some airplane company officials suspect the gross business for 1938 will show a slight reduction.

But still, on latest available figures, Canadian airways carried more tonnage than any other country in the world. That is not on the basis of population, air miles or anything but plain fact—more gross tonnage than anybody else.

Figures on gross income of the Canadian airways or how much the mines contributed to their business are not available. Some freight is handled on a low contract rate. Other traffic is at a passenger, charter, or mail rate. It is estimated, however, that last year Canadian airways took in around $1.5 million.

Almost 100% of that amount was paid by mines, miners and financial interests.

But there was another $31 millions which the mines last year spent for machines and other equipment. As closely as available statistics reveal, more than 80% of this group of supplies is made in Canada.

It is a long, arduous path from the day when the prospector makes a strike until a mill is up, the ore going through.

Today there are around 138 mills in operation with a daily capacity of 44,490 tons. More than 20 mills are in process of construction which will add another 4,415 tons to Canada's daily milling capacity, and 12 more mills are planned for the near future with a probable total daily tonnage of 1,555 tons. Some 48 plants are idle.

Mill Costs

On the rough basis of a mill costing $1,000 per ton of capacity, figures indicate that when mills now building are completed and Canada has a daily mill capacity of 48,905, there will be more than $48,905,000 invested in Canadian plants for the treatment of ore. This takes no account of the amount invested in plants now idle.

Another rough calculation: For every ton of mill capacity, about $1,000 worth of preliminary underground work is required. There's another $49 millions invested in the mines.

Where do the dollars go in mining? Here is a fairly typical case, Lake Shore Mines.

For every ton of ore milled, 89 cents was spent for development of new ore; $3.74 went for mining, getting the ore out. This cost is fairly high because of the necessity of much timbering. Milling the ore took $1.05. Marketing bullion cost 20 cents. Taxes amounted to $1.52 per ton. Administration cost 11 cents. That makes a total operating cost of $7.51 per ton.

Then there is depreciation. Milling plants are considered good for about 20 years, but it is considered wise management to write off 100% per year on the plant. There is the further write-off necessary on underground development work that has served its purpose. Different managements treat this in different ways. Lake Shore's depreciation and write-off was 39 cents a ton. Total costs, $7.90 per ton. Average value of a ton of ore, $16.20. Profit $8.30 per ton.

And where do the dollars for milling go? Crushing and conveying .143 cents, grinding and classifying .406, agitation .030, thickening .044, cyanidation .030, filtering .126, reagents .170, tailings disposal .010, assaying and sampling .022, refining .024, general .091.

Breakdown on this basis for Lake Shore labor costs is not available, but for several other properties of similar type the figure runs around .131.

Long-wearing conveyor belts carry ore to the giant crushers.

Hoist-man—"doorkeeper" to a world underground.

Report New Discovery at Osway Gold Claims

From Our Own Correspondent

SUDBURY.—First incorporation to result from the Opeepeesway development is Osway Gold Mines Ltd. which has just received its charter.

The company will explore the Taylor group of 15 unpatented mining claims in Osway township, on the northwest arm of Opeepeesway Lake, about a mile and a half northwest of the Mining Corp.'s Jerome holdings.

Development work, financed by private Canadian and U. S. capital, has been carried on for two months, and consists of cross-trenching and test pitting.

A new discovery, said to look important, was made about 10 days ago. It consists, where opened, of a well-defined quartz vein, well mineralized with chalcopyrite, and having a width of about nine feet. Development work is now being concentrated on this showing.

Officers are: president, A. J. Scott; vice-president and manager, D. H. Baird; secretary-treasurer, B. T. V. Byrne, all of Sudbury; directors, Chas. J. Peart, Toronto; John A. Pringle, Arden, Ont.; A. E. Taylor, Gogama.

Kerr Addison New Ore Body

New ore possibilities have been disclosed at Kerr Addison Gold Mines by drill hole put down from surface to prospect the area between the main ore body and Reddick shaft. Ore was cut at a vertical depth of 675 ft. and continued for a core length of 127.5 ft. indicating a new ore body with a calculated true width of 90 ft. The average uncut value was $12.50 per ton and the cut value was $9.07, after reducing high erratic values. This ore body is located in an unexplored area north of any previously known ore bodies.

A new ore body, 250 ft. east of the main ore body, has been developed for over 300 ft. and flat drilling has extended it for a total of 750 ft. The ore appears to be of about $8 grade across 30 ft. It is estimated that there are 200,000 tons in this ore body above the 300-ft. level.

Reserves Increased

New ore discoveries have been satisfactory and ore reserves greatly increased during the current year. While no official estimate is available, it is possible that ore reserves, as shown at Dec. 31, 1937, may be doubled.

Total operating costs are running below $3.50 per ton, before write-offs, at the present time and the average since the mill went into operation is not much above this figure. Mill heads have averaged about $7.25 per ton and current tailings between 20 and 28 cents per ton. Overall recovery is 94.5%.

Production has been running at over $120,000 per month and the mill is treating about 20,000 tons per month.

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POLAR DRIFTITE—a semi-gelatinous explosive of exceptionally high strength and good fume qualities which make it particularly adaptable to almost all types of underground work.

POLAR CILGEL—a semi-gelatinous explosive of the ammonia-dynamite type. It is of somewhat lower strength than "Driftite" but is frequently suitable for use in medium width stopes.

POLAR STOPEITE — an ammonium-nitrate explosive with high stick count. It is recommended as being particularly economical in wide stopes where the bore holes are dry.

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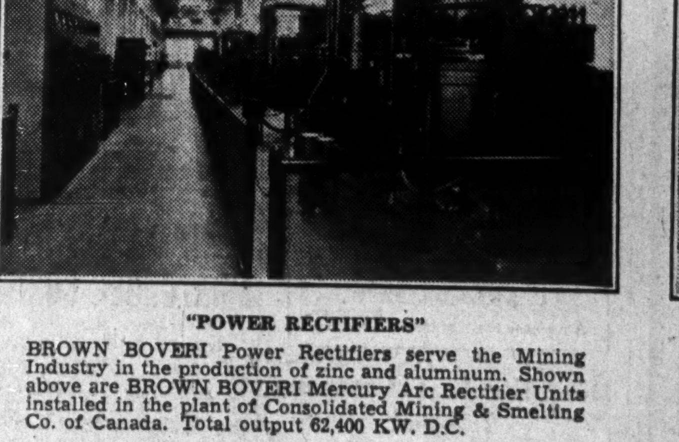

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BROWN BOVERI Power Rectifiers serve the Mining Industry in the production of zinc and aluminum. Shown above are BROWN BOVERI Mercury Arc Rectifier Units installed in the plant of Consolidated Mining & Smelting Co. of Canada. Total output 62,400 KW. D.C.

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BROWN BOVERI Turbo Blowers and Compressors are used by leading Mining Companies for flotation process, copper and nickel converters, blast furnaces and for the supply of high-pressure mine air. The Converter Blower, shown here, has a capacity of 40,000 C.F.M. at 17 pounds pressure and is one of seven units supplied to the International Nickel Company of Canada.

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1111 BEAVER HALL HILL MONTREAL

Canadian Industry Shares Credit for Big Mine Development

Constant Hunt for Economy Makes for Notable Record

Canadian industry has been very alert to Canadian mining developments, to serve mining and to profit from its profits.

The names of the mine-makers are household words across Canada. Names of the men who stand behind them bringing science and mechanical skill to their aid are known only to the few.

But in industrial plants across Canada there are men of broad experience and long training whose contribution to the growth of Canadian mining is, in its way, as significant as that of the Moguls of the prospecting trail.

There are scores of mines now operating in Canada which would never have been opened up had it not been for the skill and knowledge and constant research of the industrialists and their scientists. Metallurgy has learned a marvellous efficiency in stripping ores of their wealth.

And industry sells the mines more than $30 millions of supplies and machines a year.

In the early days of mining in this country, in Nova Scotia for instance, the prospector collected a few diggers, set up a rough, home-made sort of mill, and usually made a profit because of the high grade of ore. But often his mill caught only 40% of the gold contained in the ore. The other 60% went off to the dump heap, waste.

Without scientists and the machines created by scientists Canada would never have become a country leaning on mining for support, depending on this industry for growth and leadership. Few of the ores now making great new wealth for Canada could have been worked at a profit a generation ago.

Mine making has suffered from the romance and drama built around the prospector and his lonely labors in the wilderness; from the fabulous gossip of mine profits. The giant milling plants and smelters that must be built, and the extremely accurate adjustment of process which must constantly be made, are too often forgotten.

Supply Industry Alert

Underground, mines use hundreds of miles of railway track, thousands of mine cars and electric locomotives, thousands of pneumatic drills. There are grizzlies, the giant ore crushers which crack the two-foot chunks of ore dislodged by blasting into more readily handled size. There are hundreds of miles of pipe carrying compressed air and water to the drills. There are great electrical systems.

On surface, there are hoists for carrying men and ore from more than a mile underground. There are giant compressors providing power for the drills. There are great pumps.

For the mill there are crushers, smashing ore smaller and smaller till it is fine as flour, agitators, concentrators, refining outfits.

Take a few of the "smaller" items of Canadian mine expenditure.

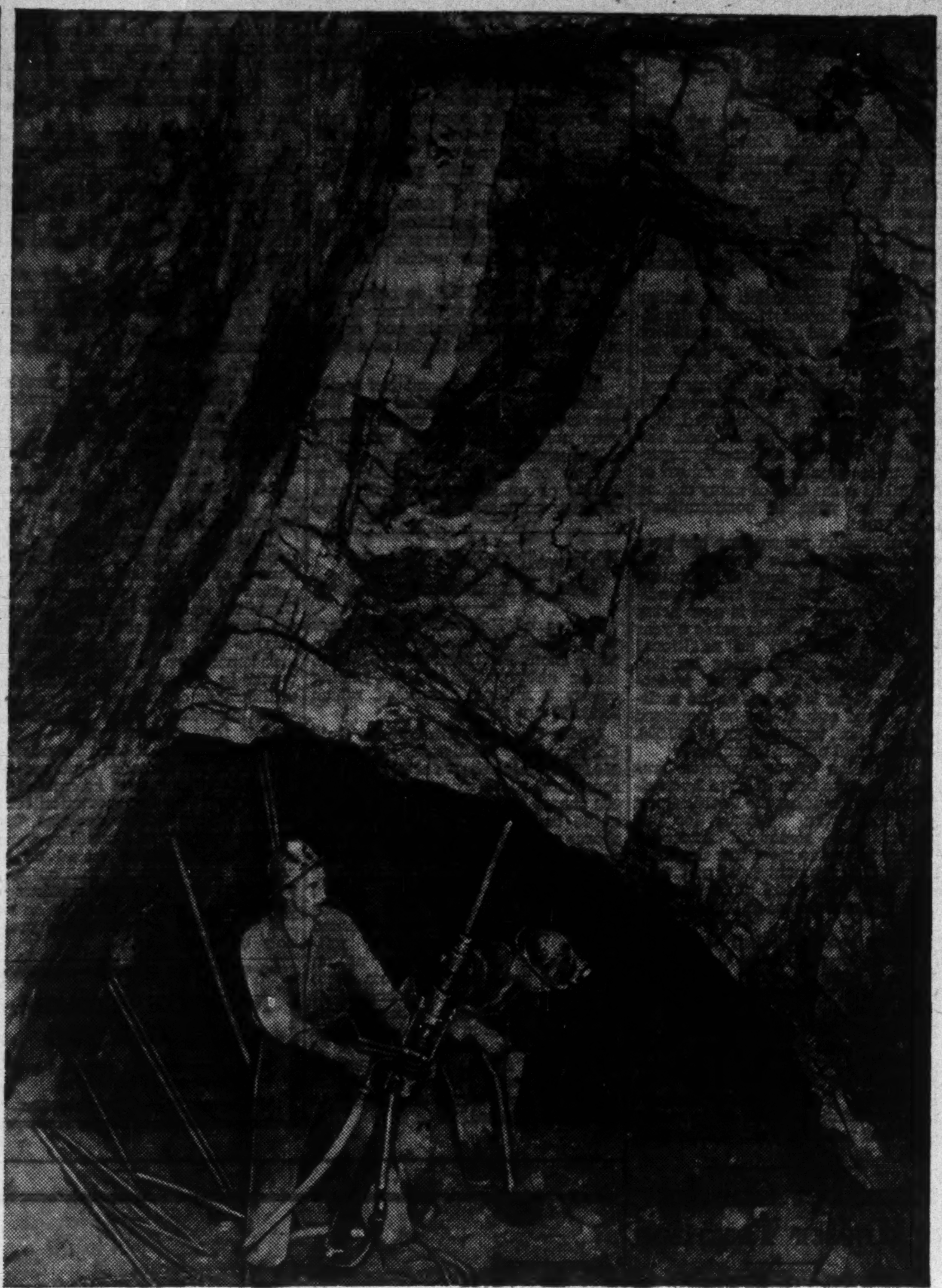
Belting, of all kinds, for conveyors, elevators, transmission, etc.	$ 154,840
Bolts, nuts, rivets, studs, washers, screws	134,018
Cars and locomotives and parts	436,113
*Railway tracks, fittings, switches, spikes	432,463
Wire rope	284,844
Diamonds and bort for drilling	174,483
Safety hats, boots, gloves goggles, respirators, lamps	214,423
Coal, coke, charcoal, fuel oil, gasoline, lubricants	2,039,842
Filter cloth and ore dressing blankets	110,091
Electrical equipment, motors, batteries	1,595,835
Brooms, picks, shovels, wrenches, tools	237,850
Welding and cutting equipment	135,232
Rubber goods	240,641
Acids and chemicals	454,999
Cyanide and cyanide plant chemicals	1,458,666

Economy

Economy is the first and last word of the mine manager's creed. Just as the manufacturer of tinned soup is continually trying to clip tiny fractions off the cost of producing each can, so the mine manager tries to clip tiny fractions off the cost of milling each ton of ore.

Mine engineers who have worked in major camps around the world agree that for efficiency, economy and modernity, the machines provided by Canadian industry for Canadian mining are the best he has seen anywhere.

But progress is the penalty of leadership. Canadian industry is continually on the hunt for something even better.



New type drills are now being tested.

Take the world leadership Canada has taken in mine explosives. The pioneers had to thaw their explosive even in summer, for it froze at 52 degrees. Improvements came almost yearly. Some five years ago explosive manufacturers, scientists and miners culminated long investigation in the production of a powerful explosive that did not freeze, that was safe to handle, that could be used underground without halting work It was "balanced" so its fumes were not injurious. Lesser improvements have come almost yearly since then.

Today half a dozen engineers are working on almost as many new and different types of diamond drills—the drills that bring up through their middles an endless "snake" of ore that tells the story of the rocks below. Engineers say diamond drilling is expensive. Mine men are not yet unanimous whether any of these new drills are going to be the long-sought answer on how to make a drastic cut in diamond drilling costs.

Engineers are working on a completely new type of underground pneumatic drill. Present drills of this type, they say, cost too much to operate. Too much power is lost generating compressed air on the surface, then transporting it perhaps more than a mile to the place where it must work underground. One Canadian engineer now has a couple of completely new type test drills at work in various parts of the North. If his scheme is a success, another cost will be cut.

One of the new "marvel" gadgets of the mines is the Hardinge electric ear. The electric ear "listens" to the grinding mill. The finer the ore is crushed the less noise the mill makes. The electric ear is constantly on the job raising or lowering the rate that fresh ore pours into the grinder, hence controlling how fast it pours out. The same gadget is being tried on the classifier. The electric ear is new, but engineers think it will soon be used generally.

Every year machine manufacturers, engineers and often men who are running the mills have some new ideas about better, cheaper ways of doing a job. At some mines, constant research is being done. According to R. M. P. Hamilton, one of Canada's mill engineers, "On grinding, the best information available has been developed by plant-scale research carried out by such large organizations as Hollinger and International Nickel. The engineers here have been able to carry out trials over long periods of time, obtaining accurate data on power consumption, speeds and capacities for specific grinding jobs."

For 2,000 years, every mine has been started in exactly the same way. Shaft sinking is still the most primitive thing about mining. Rock is blasted out, then men shovel it into buckets for hoisting to the surface. It is slow, and, because it requires a lot of hand labor, expensive.

Boring a Shaft

An American has dug a couple of shafts a different way. His machine is a giant diamond drill that pulls a core, six or eight feet in diameter. Engineers are still somewhat sceptical whether this is what they are looking for. It naturally digs a round, rather than a rectangular, shaft, and that suggests some waste space in the shaft. Furthermore, in trials to date, information available here suggests that the machine did not cut costs and was slower than the traditional method. But the engineers are watching.

Not so long ago, a group of would-be mine makers triumphantly announced spectacular ore results and eventually that they were going to build a mill. The mill went up. Because it was the wrong type of mill for that particular type of ore, the mill had to be torn down and a new one built before that mine produced a single dollar.

Nowadays, things like that are not likely to happen. Mill making has become a very highly trained business by itself.

Take the case of the East Malartic mill just finished by Canadian General Engineering, or the Uchi mill just being started. The mine makers turn over the whole problem to the outside firm of engineers.

Complex Equation

The type of ore, its grade, how much there may be of it—all these facts make a complex equation which the mill builders juggle into the greatest economy. From the scores of manufacturing firms producing mine machinery, they buy here and there the separate pieces they think can be fitted together into the most efficient whole. For the electrical equipment, they call in a consulting electrical engineer to give them the super-extra latest in how best to look after this end of the mine and mill equipment.

The mill maker usually builds not just the mill, but the whole mine camp from hoist to business office, bunkhouses and the outside fence. Hence an architect comes into the engineering huddle. He doctors up the plans for dwelling houses and offices not only to make them sleek and attractive, but also to get the most value for every dollar spent.

The mill maker's job isn't done when the fence around the plant is up and the "keep out" sign hung by the gate. He stays in complete control for two or three weeks after the plant is completed, tuning up here, adjusting there, forcing his machines to give out more dollars for fewer cents.

It is impossible to present the whole picture of what mining means to Canada and Canadian business. Governments will never coin nor will orators shout slogans such as, "Invest in mines and build Canada."

Mine makers and the industrialists who stand behind them don't beg public appreciation. Where the facts — even some of them — are known, they just get it.

Smelters Goes Underground On Third Larder Property

Consolidated Mining and Smelting Co., will soon be working underground on three properties in the Larder Lake area as sinking of a shaft is to be commenced at Cheminis Gold Mines. Smelters is already working underground at Barber Larder and Fernland Gold Mines and at both of these properties development has already outlined a certain tonnage of commercial ore.

While the financing agreement with Cheminis has not yet been fully completed, as it is necessary to send the papers to the west coast to be signed by Smelters' officials, there is little doubt the purchase and option on shares will go through, Smelters already having made a payment into the Cheminis treasury. Details of the agreement with Cheminis have not been released, but 1,650,000 Cheminis shares were outstanding at the time of negotiations with Smelters, out of the company's authorized capital of three million shares.

Diamond drilling completed on the Cheminis property is stated to have delimited an ore zone containing commercial values in a length of 600 ft. with one drill hole put down returning a value of $5.40 per ton across a width of 63.3 ft. at a depth of 227 ft. This width included 23.5 ft. which averaged $8.16 per ton. Previously a drill hole put down 105 ft. west of the above hole intersected 6.2 averaging $6.65 per ton, while a hole 95 ft. to the east gave 11.5 ft. averaging $3.70. Later holes were put down to outline intermediate values. Clearing of the shaft site is now under way and the mining plant should arrive at the property shortly. Plans call for sinking a three-compartment shaft with first lateral work projected for the 275- or 300-ft. horizon.

If substantial ore bodies are developed at the three properties being operated by Smelters in this area between Omega Gold Mines on the west and Kerr-Addison Gold Mines on the east it appears likely a common mill will be built for treatment of ore from Smelters' properties. Reduction in cost through the treatment of a large tonnage in a single mill would likely more than offset the increased cost of 25 to 30 cents per ton for handling of ore by an aerial tram or a slightly higher cost for trucking ore to a mill.

Laguna to Close Down When Ore Is Exhausted

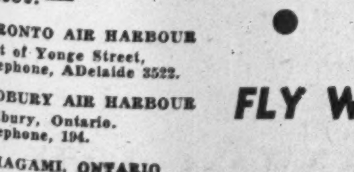
Operations at Laguna Gold Mines are to be suspended following salvage of remaining ore in the mine, directors have decided. John A. Reid, consulting engineer, was recently engaged to make a report on the mine and he concurred with the company's engineers that the bottom of commercial ore bodies had been reached and recommended that the mine be closed and plant salvaged on depletion of present ore.

Development of the 1,250-ft. level together with drilling below the level failed to disclose sufficient ore to warrant the purchase of additional equipment to sink the shaft to depth. Flat drilling from the various levels also failed to indicate parallel ore bodies.

It is expected that after present six or eight months' ore reserves are milled and the mining plant sold, net liquid assets will be in the neighborhood of 12 to 14 cents per share.

Slave Lake Gold Mines hopes to arrange for mining plant to be sent in by next spring together with financing for new programme of development. Of three diamond drill holes completed to about 650 ft. depth, two returned low values with third showing 60 inches averaging $7.35 followed by 18 inches averaging $477.05 per ton. Balance sheet at Oct. 31, 1938, shows cash of $18,966 and accounts payable and accruals of $697.

AUSTIN AIRWAYS LIMITED



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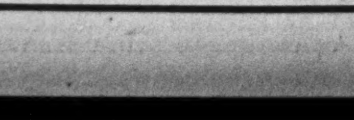
FLY WITH AUSTIN



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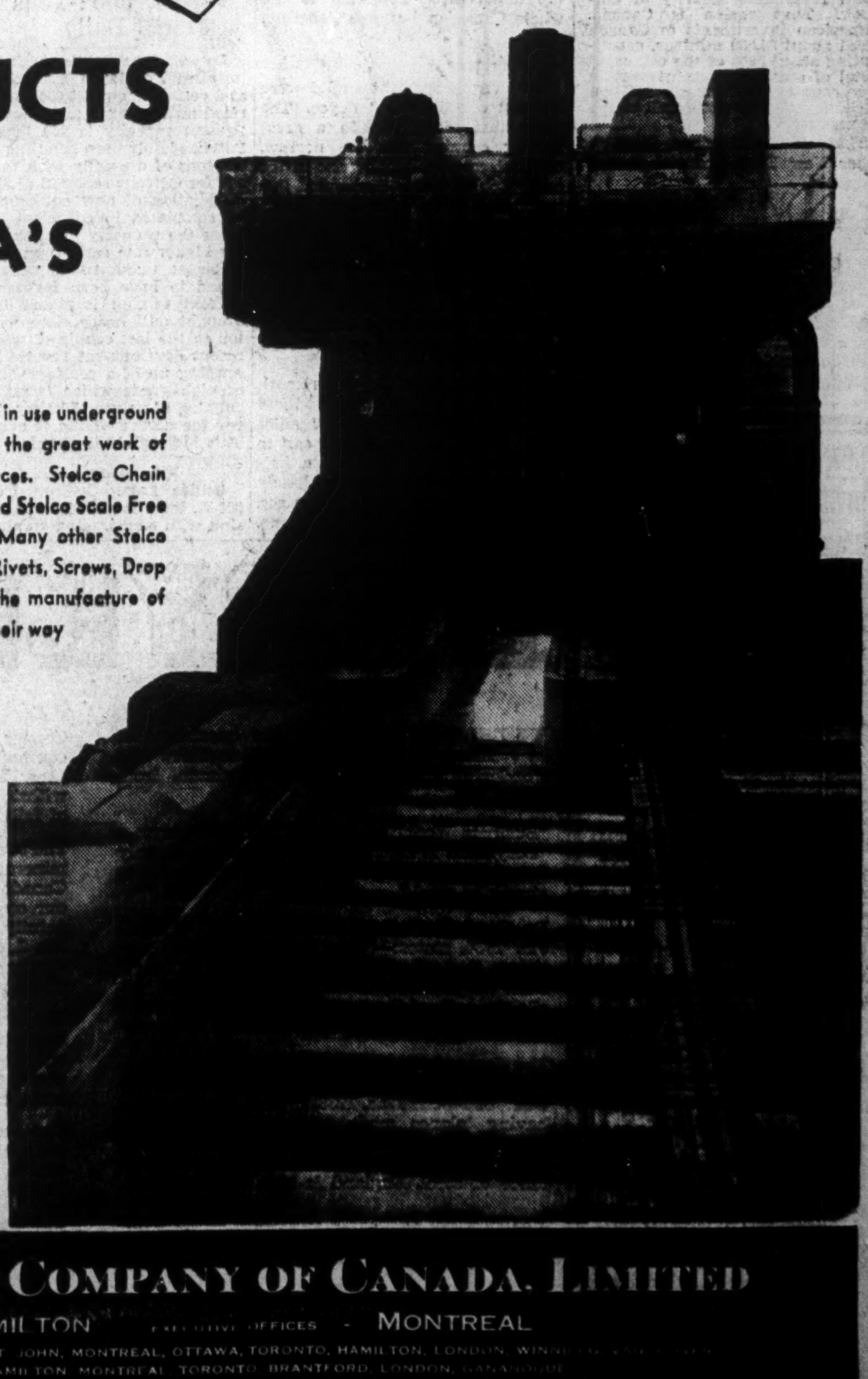
MINES

Many tons of Stelco products are in use underground and on the surface, assisting in the great work of mining Canada's natural resources. Stelco Chain Link Fence, Stelco Steel Sheets and Stelco Scale Free Pipe are in constant demand. Many other Stelco Products such as Bolts and Nuts, Rivets, Screws, Drop Forgings and Nails are used in the manufacture of mining machinery and thus find their way into Canada's mines.



Stelco's plants keep pace with every advance in the science of steel-making. Illustrated here is the new 44" blooming mill recently installed at Stelco's Hamilton Works to increase production capacity. This equipment was made in Canada at a cost of several millions of dollars.

THE STEEL COMPANY OF CANADA, LIMITED
HAMILTON EXECUTIVE OFFICES - MONTREAL
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The Week in Mining

Big Investment Buyer Now Acquiring Golds

Golds Perform Well on Industrial Decline—Canada Only Place Where Americans Can Invest With Confidence, Says U. S. Weekly

Golds moved back into the limelight this week.

New Yorkers gossiped about an increase in the price of gold. The pound sterling continued to slide lower and with it continued rumors that some new currency arrangement between Britain, United States and probably France was on the way. That was the boardroom chat.

Facts were: golds showed strength on the Wall Street board when industrials were easing. This writer can say that some important traders who for the past several months have been devoting their attentions to the industrial and commodity markets, are now coming back to study the gold stock situation. It is also a fact that in recent weeks, when the public has been rather indifferent to golds, one large investment buyer has been quietly acquiring very sizeable blocks of senior Canadian golds such as Wright Hargreaves and Teck Hughes.

No Surprise

Base metals have been easier, which will be no surprise, for while the longer-term outlook still looks bright, business at large has to do some catching up, making itself felt in higher demand for metals. The trade treaty is blamed for an easing zinc price. In the past the copper price in London has fluctuated fairly constantly with the pound sterling rate so that the return to the Canadian producer has remained constant so far as that factor is concerned.

• • •

During weeks following the Munich settlement when the copper price was advancing almost daily, it now appears that there was considerable forward buying as a hedge against continued price increases. With last week's announcement again putting a restriction on output among cartel members, it tended to halt a runaway price, and would ordinarily suggest higher price. For the time being, however, consumers are sitting back.

• • •

Important News

It's an old axiom that there is nothing like really hot mine news to warm a flagging market. This week two camps produced important news. Malartic Goldfields provided the financial community with some very interesting information. Sladen Malartic got a red hot result in development work. One swallow doesn't make a high grade. It does make a sweetener, but mine men are not leaping to any conclusions just yet. With Futterer and Reid and Nesbitt Thompson mid-wifing this part of the Malartic camp, however, they are watching mighty carefully.

Larder Lake got its boost this week from the Kerr Addison depth drill which was interpreted as meaning good news for others along the break. One of the major companies, for instance, is now taking a look at Pelangio on the far side of Chesterville. Martin Bird reports state that development of the recently discovered new ore body progresses "very favorably."

Only One

"There appears to be only one major region beyond the borders of his own country in which the American investor can place funds with reasonable security of outlook. That region is Canada. American investments in Canada total about $4,000 millions, constituting about 58% of the estimated total of outside funds invested in that country. Investments in Great Britain make up nearly all of the remainder."

That statement comes from the sober New York financial weekly, Barron's.

• • •

Old-timers

At the recent dinner in Toronto for "Old-timers" there weren't very many old-timers, but there were a good many vivid reminders of how fast mining in this country has come along; also that the pioneers didn't stumble onto mines every month, or every year. Perhaps in no way was the gathering of some 200 miners and financial men more important than in making plain the hard fact that courage and persistence, plus the financial backing of men of vision, were, and still are, the only way this industry will continue to grow.

• • •

Pioneers

Veterans of the 1905 days in Cobalt who attended included, R. T. Stewart, Hedley Marsh, C. A. Foster, Fred Connell, H. C. McCloskey, George Glendenning, J. M. Wallace, G. Howard Ferguson, S. H. Logan, R. A. Bryce, A. H. Seguin, A. L. Herbert, T. R. Jones, J. Munro, Jack Hammell, Bob Jowsey, T. R. Rae. The list is not complete, unfortunately. It was not a large group who were at Cobalt in 1906. A good many came the following year, and no one seems to have got the 1905 list completely straightened out.

Fergie

G. Howard Ferguson, former premier of Ontario, former Canadian high commissioner to London, and now president of the Crown Life Insurance Co., said that among certain groups in London he found sincere interest and confidence in Canadian mining. Members of the House of Rothschild and the Aga Khan were two names he mentioned. These and others of their kind, he said, now have millions invested in Canadian mines.

"The north country is the most blessed piece of country I know anywhere in the world," Mr. Ferguson said. He called it "the sound, stable backbone of our future." Mining, he thought, is making a greater contribution to national development than wheat.

Incidentally, Mr. Ferguson made such a forthright speech, so deftly interspersed with political cracks, that around a good many tables went the comment, "Bet he'd lead the Conservatives again." However, it appears that Mr. Ferguson is anything but interested in renewed political leadership.

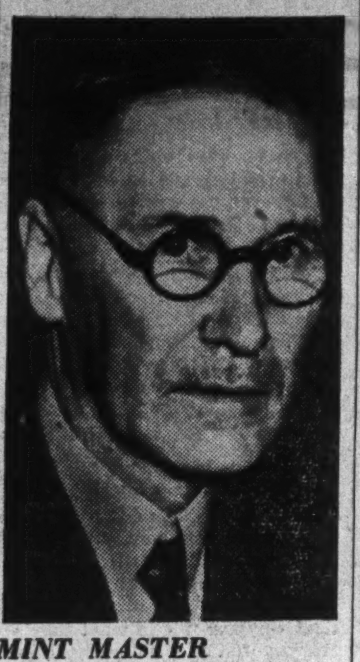
• • •

Guest of honor F. Hedley Marsh, general manager, Bank of Toronto, and S. H. Logan, president, Bank of Commerce, each contributed engrossing glimpses of the pioneer days when they were competing bank managers in Cobalt; also of the importance of mining to the whole Canadian business structure.

Two Angles

Two very important angles were brought out by "Bob" Bryce. The thing that made Canada a great mining country was the narrow, crooked, mean-to-work veins of the early Cobalt camp. He argued this way. Had those veins been better, British and American capital would have stepped in and nabbed everything good in the area. But it was the profit which Canadians made out of Cobalt which made it possible and which drove them on to open up other mining camps across Canada.

Second was Mr. Bryce's remark that the Englishman's beloved Rand in South Africa is only 100 miles long. From Lamaque on the east to Kirkland Lake on the west, a distance of 139 miles. Canada already has a belt studded with rich mines. Look at the gaps all the way along.



MINT MASTER

Henry E. Ewart, architect and engineer, has been appointed master of the Royal Mint, the first Canadian to hold that post.

Pato Dividend Slated in '39

Operating at Capacity — Construction Work Completed

At the annual meeting of Pato Consolidated Gold Dredging, Ltd., Charles A. Banks, managing director, stated that directors believed an initial dividend would be paid about the middle of 1939. Loans of $630,000 are to be retired over a period, according to plans, in order that payment of dividends can be commenced as soon as possible.

Later on, installation of further dredges will be considered, if dredging results and general conditions warrant. This would not only increase the output of gold, but would still further reduce the cost per yard. Due to the large gravel reserves, the company seems to be assured of a very long life, Mr. Banks stated, and dividends will not necessarily represent to as great extent a return of capital as is the case of many mining properties with a comparatively short life.

Construction programme has been completed, for the present, with three large new dredges operating at capacity. Including two reconditioned dredges, gravel is now being dug at 16 million cubic yards a year with approximately an additional million cubic yards being handled hydraulically. The Anori hydro-electric plant is giving entire satisfaction and output can be increased to 10,000 h.p., at an outlay of $50,000, as additional power is required.

Completion of construction was stated to have been delayed by various things including the Pacific Coast maritime strike. Mainly for this reason, cost somewhat exceeded estimates, and to meet this situation, Placer Development Ltd., and Oroville Dredging Co., Ltd., subscribed for additional shares at $2.50 net per share.

Values recovered last year were about in keeping with testing, Mr. Banks reported. From April 30 to Nov. 1, 1938, 6,825,000 yards of gravel were handled, for a recovery of $894,320 which was equivalent to 13.0 cents per yard. Values should gradually increase through the next 12 months, in keeping with the drilling ahead. Results to date indicate that expectations, both as to recoveries and working costs, will be realized.

Hudson Bay M. & S. Sinks New Shaft

Decide to Spend $2.5 Millions — Spurs Interest in Area

From Our Own Correspondent

WINNIPEG. — Most important news for mining circles here is decision of Hudson Bay Mining and Smelting Co. to sink a new shaft to an ultimate depth of 4,500 feet, which will become the main working shaft of the property. The new shaft will actually be in Saskatchewan.

Plan to construct a new shaft has been under consideration for many months and much preparatory work has already been done. It was not until this week, however, final approval was given by directors and the important $2.5 millions expenditure announced.

Completion of the new shaft, at least to a depth where it can assume the main load of handling ore, will about coincide with the closing down of open pit operations, one of the main factors in the low cost of production.

The new shaft will eliminate a winze and shaft hoisting and will permit all ore being hoisted direct to the surface without intermediate stoppage.

Of far-reaching importance is the impetus it gives to mining in the entire district. Along with this announcement comes news of refinancing of the Callinan Flin Flon and the Henning-Maloney, both nearby. Eastern capital is said behind both projects. Engineer Jackson W. Bull has been making a further examination of both properties.

Prospectors Airways is said likely to take a working option on a Cranberry Portage property. At least three other good-looking properties on which work has been done are under option to eastern interests.

Flin Flon Gold, under three miles from Flin Flon is reported to be near the end of its financing difficulties.

Sladen Malartic To Enlarge Mill

Raising Capacity from 250 to 500 Tons Daily

An additional milling unit is to be installed by Sladen Malartic Mines at a cost of about $30,000 to increase rated mill capacity to 500 tons daily. Present capacity is 250 tons. The mill has lately been handling around 325 tons of ore daily with the average for October reported at 328 tons. Installation of new equipment will be completed in sufficient time to place the property in production at the higher rate early next year.

Recent underground results are stated to have been favorable and current mining is stated to have brought mill heads close to $7 per ton in the last couple of weeks. A recent development reported is the opening up of a considerable patch of high grade which is said to be running at values of better than $75 per ton across widths of over 60 ft. This high grade is stated to be still showing.

Gillies Lake—Drilling from the 500-ft. level is stated to be progressing with encouraging results.

Chamber Checks Higher Taxation

Manitoba Chamber of Mines Reports Year's Achievements

Successes in protecting the mining industry from legislative attack and in creating greater co-operation with other bodies working for the welfare of this industry are two of the past year's achievements noted in the annual report of the Manitoba Chamber of Mines, J. D. McDonald.

Annual meeting is announced for Dec. 8, Marlborough Hotel, Winnipeg.

When the Manitoba legislature proposed to increase the corporation tax from 5% to 10%, representations from the Chamber resulted in a concession for mining. Companies whose net income was below $100,000 annually paid the same corporation tax. Above that income, a sliding scale was adopted.

Closer co-operation with the Chamber of Mines, Montreal Board of Trade, with the Ontario Mining Association and with the Mining Association of British Columbia was reached, the report stated.

"For the past 18 months," the report states, "the Manitoba Chamber of Mines has co-operated with the Employment Service of Canada in providing mining companies with a record of experienced miners available in Winnipeg for employment."

The territory served by the Manitoba Chamber of Mines extends from Long Lac, Ont., on the east to Goldfields, Sask., Yellowknife and Great Bear Lake, N.W.T. In 1928 there was one producing mine in that area. Its output was only $409,571. In 1937 there were 26 mines in production. They produced 10 metals having a total value of $33,209,000. Dividends paid during the year amounted to $7,945,300.

Faulkenham has outlined the main vein on the Starratt-Olsen property for a length of 523 ft. averaging $14.64 across 7 ft. Last hole completed ran $37.80 per ton indicating the vein is still open to the southwest with a possible extension 5,400 ft. distant.

Judge Predicts Coal, Iron Boom if Bounties Offered

Sweeping policy of government aid through tariffs and bounties for development of the Canadian iron and coal industries is urged by Judge John McKay of Port Arthur. His recommendations include:

Payment of a bounty of $3 per ton for a period of five years on all Canadian iron and coal used in producing rolling mill products in Canada.

A cash subsidy of $6,400 per mile to all mineral colonization railways running northward from the Great Lakes, also many points on the C.N.R.

Requiring the C.N.R. to reduce its freight rates on raw products of the mine, forests, on grain and crude oil to at least seven tenths of a cent per ton mile.

Amendment of present tax legislation by both Dominion and the provinces so that no mining company nor its shareholders would be called upon to pay any form of Dominion or provincial taxation on profits or on dividends until such mining company has repaid to shareholders in dividends all of the capital expended in the actual development and equipment of such mines with interest at the rate of 5% on such expenditures, so as to encourage investment in development.

Grant of 6,400 acres of land per mile to the proposed Thunder Bay Central Railway running north from Port Arthur to Albany River, a distance of 300 miles, "as it would furnish railway facilities to large areas of suitable arable mineral and forest lands."

"Rapid development of our mineral resources and rolling mill products is almost five times more important than development of our agricultural resources," the Judge suggests.

"The three policies that enabled United States to make such wonderful progress were the granting of over 130 million acres of land to the railways; preservation of the public domain, including all timber and mineral lands; and, the high protective tariff on iron, steel and other manufactured products.

"It is most essential that the Dominion Government should grant a bounty of at least $3 per ton for a period of at least five years on all Canadian iron ore and coal used in the production of rolling mill products, so that there will be sufficient inducement for the three steel companies in Ontario to use about two million tons of Ontario iron ore and take immediate steps to increase that to four million tons.

Pointing out that each ton of steel produced in Canada requires 5.5 tons of raw material assembled at the furnaces by transportation companies, Judge McKay declares, "the freight tonnage of Canadian transportation companies would be increased by about 19 million tons annually; and the many millions of dollars now wasted annually on relief and C.N.R. deficits would probably be eliminated."

Halliwell Details Beattie Deal When Shares Listed

Shares of Halliwell Gold Mines were called for trading on the Toronto Stock Exchange Nov. 21, with ticker abbreviation HLW. Listing covers 3 million shares of which 2,992,517 are issued.

Under the deal with Dumico Gold Corporation, Halliwell purchased 350,000 Dumico shares at 10 cents per share and received option on 1,300,000 shares as follows: 300,000 shares at 15 cents; and blocks of 250,000 shares each at 25, 40, 55 and 70 cents per share. Subsequently 300,000 optioned shares were sold to Beattie Gold Mines, comprising 150,000 shares at 15 cents and 150,000 at 25 cents. Options were granted Beattie on the remaining million shares under option at an advanced price ranging from 49 to 79 cents per share. Johnston & Ward, stockbrokers, had been granted a participation in the Halliwell option so the profit of $105,000 to be realized if Beattie takes up all its option will be split $69,825 to Halliwell Gold Mines and $35,175 to Johnston & Ward.

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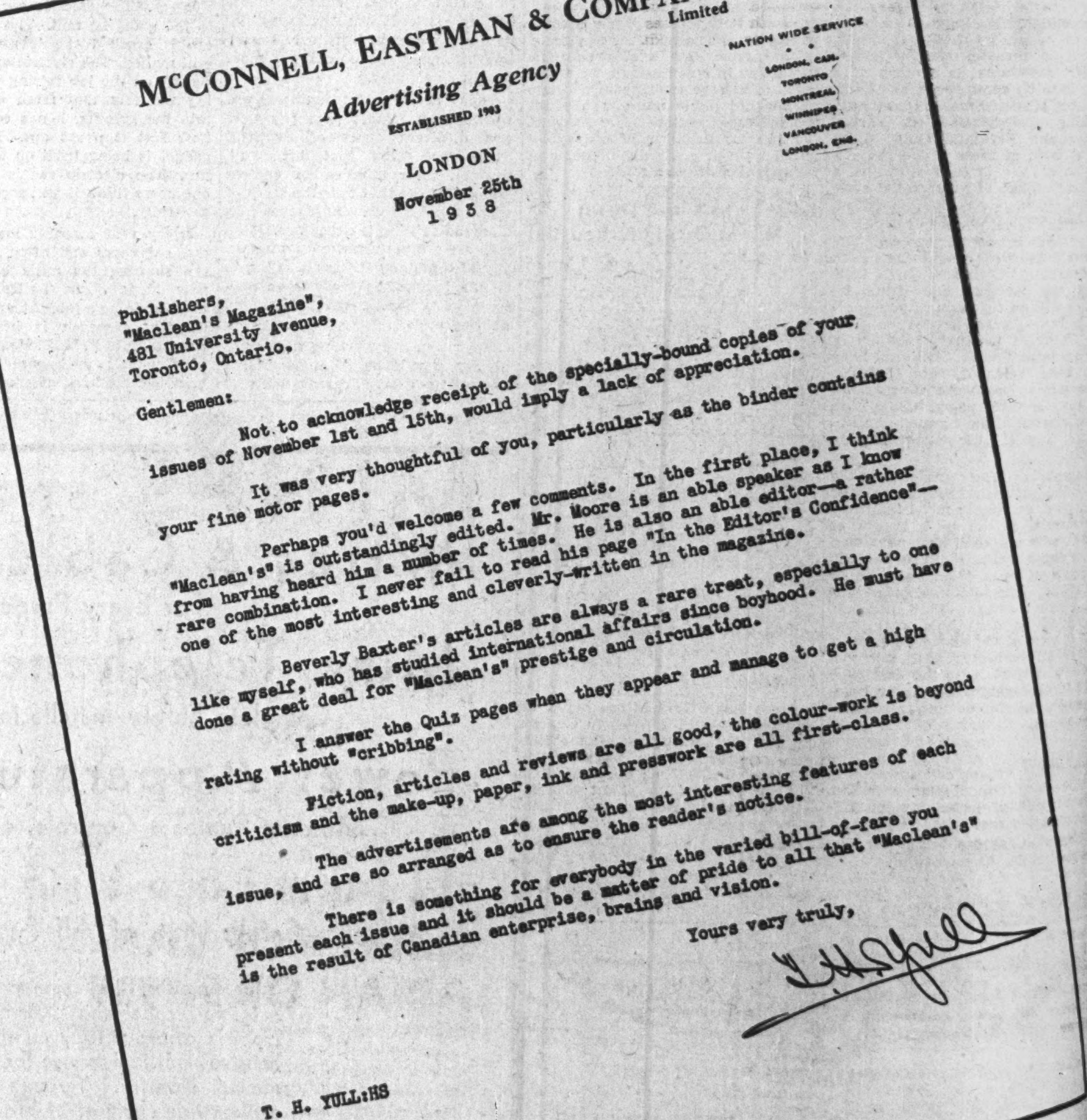
Thank you, Mr. Yull



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LONDON
November 25th
1938

Publishers,
"Maclean's Magazine",
481 University Avenue,
Toronto, Ontario.

Gentlemen:

Not to acknowledge receipt of the specially-bound copies of your issues of November 1st and 15th, would imply a lack of appreciation.

It was very thoughtful of you, particularly as the binder contains your fine motor pages.

Perhaps you'd welcome a few comments. In the first place, I think "Maclean's" is outstandingly edited. Mr. Moore is an able speaker as I know from having heard him a number of times. He is also an able editor—a rather rare combination. I never fail to read his page "In the Editor's Confidence"—one of the most interesting and cleverly-written in the magazine.

Beverly Baxter's articles are always a rare treat, especially to one like myself, who has studied international affairs since boyhood. He must have done a great deal for "Maclean's" prestige and circulation.

I answer the Quiz pages when they appear and manage to get a high rating without "cribbing".

Fiction, articles and reviews are all good, the colour-work is beyond criticism and the make-up, paper, ink and presswork are all first-class.

The advertisements are among the most interesting features of each issue, and are so arranged as to ensure the reader's notice.

There is something for everybody in the varied bill-of-fare you present each issue and it should be a matter of pride to all that "Maclean's" is the result of Canadian enterprise, brains and vision.

Yours very truly,

T. H. YULL:HS

270,058 net paid A.B.C.

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BERYLLIUM

WHAT IS IT? That is the question that many will ask. Actually it is a new and wonderful alloy for copper, aluminum, iron, nickel, etc.

"Business Week" of January 11th, 1933, says:—"Beryllium is lighter than magnesium, is only two-thirds as heavy as aluminum but almost as strong as steel."

Dr. Goodwin in the "Northern Miner" of April 5th, 1934, states:—"Recent investigations have shown that when a small percentage of beryllium (1.5 to 2.5%) is added to copper, the tensile strength of the copper is raised from 33,000 lbs. per square inch to 220,000 lbs. or more."

The demand now appears to be for beryllium-aluminum for airplane construction. The "Daily Star" of March 17th, 1938, reports the Czechs as having 'planes made of beryllium-aluminum which make formidable flying fortresses giving them the lightness of aluminum with the resistance of steel. England is also building them.

To quote the Anaconda American Brass Company in their "House Organ" of May, 1937:—"The aviation industry has adopted Beryllium Copper to a large extent for electrical parts in equipment which must give unfailing performance. Beryllium copper contact springs have withstood over four billion flexes without sign of failure or set."

The source of supply of this wonder alloy is the mineral beryl. The chief deposit known in Canada is in Renfrew County, Ontario, where our company holds the mineral rights in perpetuity on 3,500 acres. The company's engineer, Mr. J. C. Houston, in his report states:—"I consider your properties the most promising source of beryllium known today on this Continent."

We have been developing these properties and have stockpiled a substantial quantity of ore and we are now making a public offering of our shares for the purpose of continuing exploration and development.

Our beryl ore has been submitted to analytical tests, all of which indicate a beryllium content of 5%, or 100 lbs. of beryllium to one ton of beryl ore.

The demand for beryllium is chiefly in the form of alloys. The market price for beryllium copper alloy is $23.00 per lb. of beryllium content.

Descriptive Booklet on Request.

CANADIAN BERYLLIUM MINES & ALLOYS LTD., Royal Bank Bldg., Toronto

The Week in Oils

$5 Millions Gas System For Saskatoon Planned

Thorn Interests Enter Agreement—Alberta Operators Hail New Conservative Measure as Forward Step—Clearwater Field Promising

Saskatoon City Council has entered an agreement with W. F. Thorn and associates, giving them exclusive right to build a gas pipeline and distributing system in Saskatoon. The agreement is subject to approval of the local government Board and to a vote of property owners of Saskatoon. It is reported that over 80% of the latter have signed a petition wanting gas.

It is estimated the cost of installing pipelines and distributing system will be around $5 millions. Mr. Thorn and associates are reported to have given the city a $200,000 bond that they would carry out the terms of the agreement.

Thorn interests have also undertaken to spend $200,000 in developing drilling for gas in Saskatchewan. This group already controls large blocks of potential gas and oil acreage in the Lloydminster and Unity fields, and controls the production of producing wells in that area which have an open flow of 47 million cubic feet per day. The Thorn group also owns petroleum rights in large blocks of acreage in various Alberta fields.

It is estimated that 500 men will be put to work on construction of pipelines, etc., once the agreements are approved. The permanent payroll when the system is installed will be around 200 men.

* * *

Operators Pleased

Generally speaking, independent oil operators are pleased with the new Alberta Conservation Act.

R. A. Brown, one of the largest operators, said: "Personally, I am very pleased with the Act. If it is properly administered by the Board it will mean conserving our gas resources, and result in the ultimate recovery of much more oil from the Turner Valley field. In the case of new fields, the Act should prevent a recurrence of the billions of feet of gas wasted in Turner Valley."

H. M. Mack, who operates the Sovereign well, closed by order of the Board as a naphtha or gas well, declared: "At Edmonton, the major and independent oil interests largely agreed that conservation, if carried out impartially under the present Act, will prove a great benefit to the public and the industry generally. I believe that the enquiry has resulted in a better understanding by the Government and the Board, of the problem of the independent operators, and this better understanding should result in a generally satisfactory administration of the Act. The general effect should be to prolong the producing life of the field by many years and effect much greater ultimate recovery of oil in place."

According to W. F. Knode, chairman of the Conservation Board, the present Act will mean wasting of gas will stop. Mr. Knode points out that up until January 1 of this year 957 billion cubic feet of gas had been wasted in Turner Valley. If this gas were valued at 10 cents per 1,000 cubic feet, it means $95 millions has been wasted. If valued at the retail price of gas in Calgary, it means $280 millions wasted.

* * *

Pay Off Debt

Mr. Knode points out that the rapid depletion of the gas has resulted in leaving eight million barrels of naphtha in the ground and likewise several million barrels of crude oil. Experts say that the gas wastage in Turner Valley to date, if it had been economized, would have paid off all of Alberta's bonded indebtedness.

* * *

Okalta 6

Okalta 6, the mystery well, had considerable oil in it early this week, according to President Herron. An unofficial report as this paper goes to press stated the oil had risen to within 2,000 feet from the top of the hole. This would indicate that the water was successfully cemented off and that the well will be a producer.

* * *

Rail Rates

The Alberta Petroleum Association is sending Herbert Greenfield, Ralph Chard, freight rate expert for the Alberta Government, and M. M. Porter, K.C., to Toronto to discuss with the vice-presidents of the two railways on December 5 a special rate on crude oil from Calgary to Toronto. The operators are hoping to ship immediately around 6,000 barrels a day.

* * *

Complete Two New Wells

Royalite 34 and Command Oils have been brought into production. It is expected that West Turner 3 and Brown Consolidated 2 will be finished drilling this week end.

* * *

New Proration Schedule

The Conservation Board advises it expects a new proration schedule will be issued on Monday after approval by the attorney-general's department. It indicates the field's allowable of 11,600 barrels daily will be increased somewhat.

* * *

Cellars are being dug for two new wells in Turner Valley, Harris and Royalite 38. On an outside structure, a cellar was dug for Grease Creek 1 on the structure of that name 60 miles northwest of Calgary.

* * *

A new company, Petroleum Investments Ltd., has been formed to take over a 45% interest in five wildcat tests being drilled by Anglo-Canadian. Anglo will retain a 55% interest. Fields concerned are Steveville, Bridge Dome, Castle River, Savannah and Twin Dome. The new joint drilling plan is expected to assure adequate finances, speedy completion and thorough testing of the areas involved. It is understood the new company will have capital of 1,500 shares with a par value of $4,500 per share.

Pend Oreille Mill Tonnage Greater

Wages of Employees Vary With Changes in Metal Prices

An official of Pend Oreille Mines & Metals Co., informs The Financial Post that the company's mill handled a total of 1,951 tons of ore during September, or an average of 850 tons of ore daily. Early in November a new primary crusher of 1,800 tons daily capacity was installed in the mill to increase capacity. Power for operations is supplied by the Metaline Falls Power plant and is charged to operations at one-half cent a kilowatt hour.

The company has an agreement with workers whereby wages vary according to the upward or downward movement of metal prices.

At the end of September, the company was reported to have $50,000 in the bank with an additional $18,000 owing from smelters. The only liability was for payments due on the bond issue from time to time. Sinking fund payments have been met to date.

Central Zeballos Opens Good Ore

Drift at the first level of Central Zeballos Gold Mines has been extended 297 ft. from the portal with the vein persistent throughout the entire length. All drifting has been through sorting grade ore while one length of 140 ft. has averaged 2.23 oz. gold per ton across 1.6 ft. Face of the drift Nov. 15 ran 2.04 oz. gold across 0.8 ft. Length of 50 ft. opened up prior to the 140-ft. length mentioned ran 0.61 oz. gold per ton across 2.9 ft.

Second level drift has been driven at a point 175 ft. below the first level with the drift following the vein for the full drift length of 443 ft. From the 90-ft. mark to the present face, results are said to be spotty though promising. Fair values have been obtained particularly in two lengths of 40 and 30 ft. The fact on Nov. 15 was stated to show marked improvement with two samples running 2.49 and 0.78 oz. across widths of 0.4 and 0.5 ft., respectively. Since then the vein has widened to 1.1 ft. and is in ore. A three-compartment raise is to be driven from the second to the first level.

West Petroleum Survey On Blood Indian Ground

A seismic survey is being completed by West Petroleum Ltd., on approximately 163,600 acres controlled on the Blood Indian Reserve, in southern Alberta. Core drilling is stated to have indicated favorable geological conditions and present seismic survey has indicated two closures.

Three possible horizons are expected for finding of oil. The first is at 2,800 to 3,200 ft., with a second favorable sand at 4,300 ft. Limestone is expected around 5,000 ft.

The property is under jurisdiction of the Dominion Government, reserved by the company under an agreement to conduct a seismic survey with areas subsequently to be chosen for lease and survey.

Authorized capital is three million shares, of which 1,207,600 are issued, including one million for properties and 100,000 for previous development. An offering of 200,000 shares at 25 cents is now being made.

Mining Dividends

	Rate	Nov. 28	%
Anglo-Huronian	10c	3.30	3
Beattie Gold	15c	1.38	10.8
Bralorne	60c+40c	9.80	*10.2
Buffalo Ankerite	$1	14.25	7
Bulolo Gold	$3	23.37	12.8
Can. Malartic	9c	.97	9.3
Cariboo Gold	10c+6c	2.42	*6.6
Central Patricia	16c+2c	2.40	*7.5
Coniagas	25c	1.70	..
Coniaurum	15c	1.54	..
Cons. Smelters	50c+50c	59.50	*1.6
Dome Mines	$2	31.75	6.3
Falconbridge	30c	5.50	5.4
Gunnar Gold	6c	.64	9.4
Hedley Mascot	12c+4c	1.39	*11.5
Hollinger	65c+45c	14.75	*7.4
Howey Gold	4c	.24	..
Hudson Bay	$1.50	33.00	4.5
Inter. Mining	35c	8.75	..
Int. Nickel, com.	$2	52.00	3.8
Island Mountain	10c	1.18	8.5
Jack Waite	†1½c	.36	..
Kerr Lake	5c	.50	10
Kirkland Lake	8c+2c	1.19	*8.4
Kootenay Belle	16c+2c	1.45	*12.5
Laguna	†5c	.12½	..
Lake Shore	$4	50.37	7.9
Lamaque Gold	10c	7.00	..
Lava Cap M.	11c	.87	12.6
Leitch	†2c	.74	..
Little Long Lac	20c	2.70	7.4
Macassa	20c+5c	5.30	*4.7
McGillvray Creek	1½c	.23	..
McKenzie Red Lake	12c	1.31	9.2
Moneta	†3c	1.32	2.3
McIntyre Porc.	$2	51.50	3.9
Noranda	$4	80.50	4.9
Nipissing	15c	1.73	..
North Empire	80c	8.40	9.5
Oro Plata	†4c	.45	89
Pamour Porc.	‡12c	4.40	2.7
Paymaster	1c	.48	..
Perron Gold	16c+1c	1.58	*10.7
Pioneer, B.C.	40c	2.69	14.8
Pickle Crow	40c	5.20	7.7
Placer Develop.	$1.20	13.00	9.2
Premier	12c	2.22	5.4
Reno	6c	.27	..
San Antonio	14c	1.22	11.4
Sheep Creek	12c+4c	.90	*17.7
Silbak Prem.	8c	1.78	4.5
Siscoe	19c+1c	1.49	*13.4
Sudbury Basin	10c	2.61	3.8
Sullivan Cons.	6c	.90	5.5
Sylvanite Gold	20c+5c	3.40	7.3
Teck-Hughes	40c+5c	4.70	*9.6
Toburn	8c+6c	1.90	*7.3
Ventures	37½c	5.15	7.2
Wright-Harg.	40c+30c	7.90	*8.8

*Yield includes bonus. ‡Interim. †Initial.

Concentrates From Canada's Mines

Anaconda Oil Co. reports that the Anaconda-Steveville No. 1 well is drilling at over 2,300 ft. and that the British Colonial No. 1 well is drilling at over 1,750 ft. Anaconda has a 10% royalty interest in each of these wells. Offers are being received by the company on a cash and royalty basis, with drilling obligations, for certain other of its Turner Valley leases.

* * *

Cournor Mining Corp. and Beaufor Mining Corporation may merge into a new company in which Beaufor would receive 60% interest and Cournor 40%.

* * *

Callinan Flin Flon Mines is planning to reorganize. It is proposed to form a new 3,000,000-share company in which shareholders will receive one share for each four held. Debts of the present company are about $70,000.

* * *

Delnite Mines is reported to have had net earnings of $86,238 in the six months ended Sept. 30, before allowance for depletion.

* * *

East Rouyn (Quebec) is stated to be carrying on programme of diamond drilling at its property adjoining McWatters Gold Mines. Previous drilling gave indications at the 900-ft. level warranting underground exploration.

* * *

East Malartic is treating up to 900 tons of ore daily in its new mill. Rated capacity is only 750 tons daily but it is expected close to 1,200 tons daily will be treated. The company has used up all its funds and owed about $155,000 at Oct. 31, 1938. On the 485-ft. level the main drift shows continuous ore for 1,623 ft. averaging $9 per ton. A horizontal drill hole near face of drift indicated width of 62.6 ft. averaging $7.13 per ton.

* * *

Faulkenham Lake expects to complete the shaft at the Starratt-Olsen property to its objective of 300 ft. by the end of the week, following which crosscutting to the ore body on levels at 175 and 300 ft. will commence.

* * *

Francoeur Gold Mines is stated to be opening ore in west drift at third level. Grade is better than values obtained in work to the east.

* * *

Gold Belt Mining Co. production for first half of November is reported at $34,888 from 2,188 tons of ore treated, an average recovery of $15.94 per ton.

* * *

Golden Gate has encountered high values in the No. 5 ore body, by drilling below the 475-ft. level. Three holes have been completed, the first giving $7 over one foot and $439 over 2 ft., the second $38 over 4 ft., and the third $50 over 5 ft. A

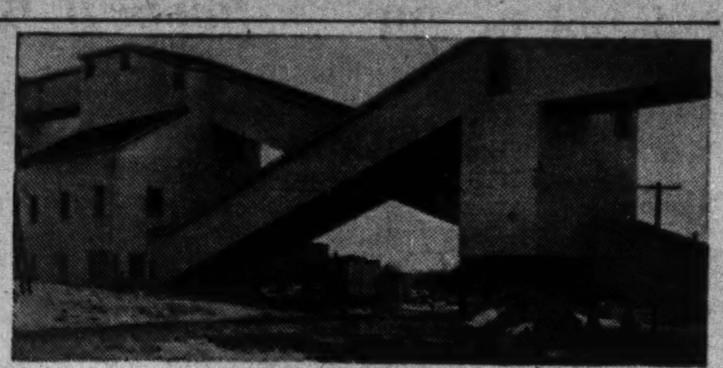

Photo shows section of the sleek new East Malartic mill. Operations are still in charge of General Engineering Co. (Canada) Ltd. but the mill will be turned over to the owners any day now.

16-ft. wide ore zone encountered at the 600-ft. level is to be drifted on shortly. A value of $17 across 2 ft. was obtained in slashing a vein parallel to the No. 24 vein at the 200-ft. level.

* * *

International Nickel Co. has purchased a property at the west end of Shebandowan Lake, Thunder Bay district, Ont., according to a bulletin of the Department of Mines and Resources at Ottawa. Results of diamond drilling have not been made available but it is known palladium and possibly other metals of the platinum group occur in association with nickel-copper minerals.

* * *

Lamaque Gold Mines has declared an initial dividend of 10 cents per share payable Jan. 3, 1939, to shareholders of record Dec. 20.

* * *

Moneta—Since changing to flotation in September last, the mill has been running steadily around 160 tons per day, with about 100 men on the payroll. Constant exploration by diamond drill above and below ground is in progress.

* * *

MacGregor Porcupine Gold Mines is now carrying on its programme of 5,000 ft. of diamond drilling. First holes are being put down on a 10-ft. quartz vein located at surface.

* * *

Minto Gold Mines, operating in Michipicoten field of Ontario, is treating 100 tons daily. Development is stated to be proceeding.

* * *

Morris Kirkland has arranged new financing for a resumption of operations. The shaft is to be continued from 1,250 ft. to a depth of perhaps 2,000 ft. and two or three new levels will be opened up.

* * *

Northern Empire Mines has declared dividend of 30 cents payable Dec. 12 to shareholders of record Dec. 5. Previous payment was 50 cents on Jan. 14.

* * *

Noranda Mines is stated to have the McLaren Vet property in Whitney twp., Porcupine area, Ont. This property adjoins eight claims already held by Noranda south of the Porcupine Lake property.

* * *

Oro Plata management is reported taking another drill to its newly acquired ground at Monteith where interesting formation and values are being obtained.

* * *

Royal Canadian Oils has declared an initial dividend of one cent per share payable Dec. 21 to shareholders of record Dec. 19.

* * *

Raymond Tiblemont Gold Mines has sampled the vein on its "Blue Grass" property for 800 ft. with values obtained along the full length. Test pits are now being put down.

* * *

Rhyolite Rouyn Mines is operating two drills at its property in Duprat twp., Que., adjoining Waite Amulet Mines. In No. 3 hole erratic copper values were found to 1,009-ft. depth and also in No. 5 hole. A commercial ore body has not yet been located, however.

* * *

Sheep Creek Gold Mines reported cash, bullion and bonds, less current liabilities, of $341,000 at Oct. 31, 1938, against $314,264 on May 31.

* * *

South American Gold & Platinum has declared a dividend of 10 cents per share payable Dec. 20, to shareholders of record Dec. 10.

* * *

Thomas Ogden—No. 8 drill hole cut 14 feet of mineralized matter at a hole depth of 1,002 ft. and cut another belt of 13 feet at the 1,051 foot mark according to consultant H. B. Hatch. The structure is stated favorable looking.

* * *

Wasu Porcupine Mines is reported to be negotiating for 12,000 ft. of diamond drilling.

Mining Options

The following information on options has been supplied by the Ontario Securities Commission, the Toronto Stock Exchange, and the Montreal Curb Market.

Amm Gold Mines—An additional 11,000 shares of stock have been issued in connection with the $30,000 loan under the offer made Oct. 17, by the company, whereby each lender of $1,000 would receive a bonus of 4,000 shares of stock. Full amount of the loan has been received by the company. Issued capital stands at 2,814,000 shares.

* * *

Bart-Malartic Gold Mines—Robert Brown & Co. took down 17,000 shares at 5 cents under agreement dated June 1, covering one million shares at 5 to 30 cents per share; agreement has been terminated.

* * *

Coral-Creek Mining Co. — On Nov. 14, 7,997 shares optioned M. F. Burrows at $5 per share payable 100 shares by Dec. 15, 200 shares by Jan. 15, 1939, 300 shares by Feb. 15, 1939, 500 shares by Mar. 15, 1939, 900 shares by April 15, 1939, and 1,000 shares monthly thereafter until Oct. 15, 1939. Company incorporated Nov., 1938; authorized capital 10,000 shares at $5 par value with 2,003 issued.

* * *

Gillies Lake-Porcupine Gold Mines — Balance of Nov. 15 installment, extended one week, comprising an underwriting on 50,000 shares at 12½c has been paid by Canopac Trading Co. Ltd., under agreement of Oct. 1, 1938. Balance of agreement covers option on 1,050,000 shares with next installment covering 100,000 shares at 17½c exercisable by Jan. 3, 1938. Issued capital is 3,924,900 shares.

* * *

Hoyle Gold Mines—On Nov. 17, Ventures and Sudbury Basin Mines agreed to purchase 720,000 shares at 33 1/3 cents per share payable $120,000 forthwith; $60,000 by Feb. 15, 1939, and $60,000 by May 15, 1939. Company incorporated Feb., 1938; authorized capital 4 million shares with 2,580,005 issued.

* * *

James Kirkland Mines — Payment received for 23,100 shares at 5 cents under agreement of July 21, covering 1,300,000 shares at 5 to 75 cents per share; agreement since terminated.

* * *

New True Fissure Mining & Milling Co.—On Oct. 7, Clair Management Ltd. purchased 150,000 shares for $40,000 and agreed to purchase a further 150,000 shares at 35 cents per share of which 52,284 have been purchased, and received an option on 100,000 shares at 50 cents payable by Aug. 1, 1939, and on 100,000 shares at 60 cents payable by Oct. 1, 1939. Company's properties are in British Columbia, part of which are subject to a mortgage of $350,000 payable in Sept., 1948, and providing for payment in the meantime only of 10% of net smelter receipts. Company incorporated March, 1937; authorized capital 1,750,000 shares with 1,452,284 shares issued.

* * *

Upper Canada Mines — Gordon F. Summers has purchased 150,000 shares at 45 cents; 50,000 shares at 50 cents; and 100,000 shares at 60 cents under agreement of July 18. Options remained outstanding on 50,000 shares at 70 cents per share, 50,000 shares at 80 cents per share and on 50,000 shares at $1.50 per share. By agreement optionee abandons right to take up final 50,000 shares at $1.50 and company has agreed to reduce price of remaining 100,000 shares as follows: 50,000 shares at 65 cents payable forthwith and 50,000 shares at 60c. payable by Dec. 31, 1938. Company incorporated April, 1929; authorized capital 3.5 million shares with 2,844,009 issued.

Solco Pocket Transit Is Used Underground

The Solco collapsible pocket transit now being offered on the market represents a new departure in this type of instrument. It weighs only 2¾ pounds and can be used underground as well as at surface.

The transit is in two parts, contained in separate leather cases, with the compass part allowing magnetic bearings to be taken without removing from the case. A slope indicator on the lid of the compass box gives diamond drill angles and geological dips.

Ontario Gold Production Higher During October

Crude bullion valued at $8,492,455 was recovered, from 852,757 tons of ore milled, by 51 Ontario gold mines in October. This represented a slight increase in total recovery over the previous month when output was $8,412,863 from 822,757 tons of ore put through, with 53 gold mines in Ontario making returns. Average recovery dropped to $9.95 per ton in October from $10.22 in September.

Total production for the first 10 months of 1938 was $81,720,587 from 7,866,334 tons of ore, an average recovery of $10.39.

MINES and OILS

New, up-to-date Information for Investors

The Financial Post SURVEY OF MINES 1938-9

Here are 348 pages brim full of new and timely information, essential not only to investors, but mining executives, manufacturers of mining equipment and a host of others. This new book, just off the press, gives full information about operating mines and properties under development; financial and other data about the companies; contains maps of every mining area and development of consequence and valuable facts concerning the industry as a whole, its growth, production, prices, etc. The edition is limited. The demand has been exceptional. Order your copy of this useful book NOW before the supply is exhausted. Size 12" x 9" — 348 pages — price per copy, postpaid, $2.00.

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Mining Enquiries

Stanley Siscoe

Any information you can give me on Stanley Siscoe Extension will be appreciated.

Stanley Siscoe Extension Gold Mines was the original company to hold the property now held by Siscoe Extension Gold Limited. Stanley Siscoe was succeeded by Siscoe Extension Gold Mines on the basis of one new share for three old. In Jan., 1937 Siscoe Extension Gold Mines changed its name to Sis-Ex Holdings. As Siscoe Extension Gold Mines turned over its property to Siscoe Extension Gold Limited on a share for share basis, shareholders in Stanley Siscoe Extension Gold Mines should eventually receive one share of Siscoe Extension Gold Limited for each three Stanley shares held.

Siscoe Extension Gold Limited, until recently, was developing its property in the Simcoe-Lamaque area of Quebec and work was stated to have outlined a small tonnage of medium grade ore. Operations were suspended, however, about a month ago.

Aloka Oil Co.

Please give me some information on Aloka Oil Co.

Aloka Oil Co., has 22 producing natural gas wells in the Brownsville field of Ontario. Production value for the last four years has been: 1935, $775; 1936, $224; 1937, $12,794; and to Oct. 25, 1938, $17,803. The company's natural gas is marketed with the Oxford Pipeline Co. on a basis of 20 cents per thousand cubic feet. Investments held comprise 10 preferred shares and one hundred common shares of the Oxford Pipeline Co. Capitalization of Aloka is three million shares of which 258,828 were outstanding on March 31, 1938.

Investments

Can I consider Hollinger, Teck-Hughes and Little Long Lac as investments?

Hollinger Consolidated Gold Mines, Teck-Hughes Gold Mines and Little Long Lac Gold Mines are all stocks which can be regarded as having investment qualifications.

Although the oldest property from the point of production, Hollinger Consolidated Gold Mines is perhaps the most firmly established of the three as regards ore reserves and indicated future productive life. Results obtained at Teck-Hughes Gold Mines during the past few years indicate the company is encountering diminishing returns from its mining operations. This is offset, however, by the development of its subsidiary, Lamaque Gold Mines, which should contribute substantially to income in the future.

Operations at Little Long Lac Gold Mines show little change during the past year. From work to date, it appears the property is a one-vein mine, but this theory may be disproved when development work is broadened. Shares of each of the three companies you mention are interesting from an investment point of view, but you should not consider too seriously possibility of capital appreciation.

Albany River

Is the stock quoted in the papers as "Albany R," the new company or its predecessor, Albany River Mines?

The Albany River stock which you see quoted under the heading "Unlisted Mines" is that of the old company, Albany River Mines. Stock of the new company is also traded at between 50 and 60 cents per share but is not very active. Old shares are exchangeable for new on the basis of two new for each five old shares held.

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The structural conditions indicated by previous surveys on this Company's holdings are now proven beyond hopes and expectations and we believe that this present offering presents an outstanding opportunity.

The following are some of the facts that warrant participation in this offering. Further information of interest will be forwarded on request.

1. The Company has a reservation of 163,600 acres for leasing, on the Blood Indian Reserve near Lethbridge between Turner Valley and the large Montana fields. It is situated between gas-and-oil fields on one side and a disturbed belt on the other, characterized by seepages of high-grade paraffin base oil. It is under the sole jurisdiction of the Dominion Government.
2. Each progressive development of the Company's holdings has been carefully made under proper technical supervision. Substantial expenditures have been made in defining actual conditions prior to your being invited to participate.
3. Drilling costs are expected to be comparatively low.
4. The seismic survey is a successful geophysical method of prospecting for oil and its use has resulted in locating many new fields. The Oil Companies in the United States spend more than one million dollars monthly on seismic surveys. The Seismic Survey now being made of this Company's holdings has already defined two exceptionally favorable structures of magnitude. The statements of prominent geologists and seismologists on the results of the survey make exciting reading.

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I have been a reader of The Financial Post for many years and have always considered it the best newspaper that comes into my office. One reason I particularly like The Post is that you call a spade a spade and don't platitudinously call it a garden tool. In your issue of October 29th, I have been particularly interested in your article, "England Shows Us Road to National Greatness." —*An Industrialist*

I cannot let this day go by without congratulating you and commending you for the story in the current issue of The Financial Post covering observation of tendencies in Great Britain. You have expressed in forceful style thoughts that have been running through my mind about the lack of unity of purpose in our democracy, and which should be emphasized again and again.

—*An Economist*

May I be permitted to congratulate you on the lucidity and straightforwardness of your European articles.

They have done much to educate Canadians and bring to them a realization of the part they should play.

I trust you will be able to bring it home further, and that Canada will realize that sacrifice is a necessary part of democracy. —*A Manufacturer*

... way in ... like to tell you that I ..., with the greatest interest, the article in the last issue of The Financial Post, which I think is most opportune. As a matter of fact, I think that the views expressed therein would do credit to our greatest national leaders, such as Sir John A. Macdonald and Sir Wilfrid Laurier, and I regret that there are not men of this type in public life today, who have the courage, energy and common sense to solve the obvious problems which confront our country, as indicated in your timely article. I would like to congratulate The Financial Post for its untiring efforts to solve these problems which are so vital to us all.

—*An Investment Dealer*

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After reading this week's Financial Post I was remarking this morning that I could get more information and understanding about the European situation, about the course that the dictatorships are following, about the effects of the Munich agreement and about the lessons to be learned in Britain and the Dominions, from your articles than I could from any other source . . . Congratulations upon one of the finest and most penetrating examples of journalism that I think Canada has ever seen.

—*A Public Relations Executive*

I have just finished reading your editorial in The Financial Post entitled "England Shows Us the Way." I am firmly convinced that this is the most valuable, constructive and intelligent editorial I have had the privilege of ever reading. Allow me to extend to you sincere congratulations and express the hope that some means will be provided whereby every Canadian citizen is given an opportunity to digest a copy of this excellent article.

—*A Merchandising Executive*

... have read with much interest your article on the Canadian railway problem. I want to congratulate you upon an authoritative and stirring article; a splendid contribution to the effort being made to seek some solution to this vital problem.

—*Advertising Agency President*

As a subscriber to your journal and as one who has had something to do with the work of the Rowell Commission, may I compliment you upon the excellence of the articles on the work of the Commission? I do not know of any way in which the layman can, at the minimum of effort, obtain a better understanding of the main issues before the Commission than by reading this series of articles.

—*A Provincial Treasurer*

Through your enterprise and coura... you have made a valuable contribution to the development of the Dominion . . . Your painstaking a... efficient service in providing th... business community generally with important information, together with up-to-date data upon economic and political matters have filled a real need. —*Trust & Loan Execut...*

One's appreciation of the signal services which you are rendering grows as each new issue is read. Certainly no journal has performed such a real service for both east and west.

—*A Provincial Treasurer*

I am writing to compliment you on the attitude you have taken in the columns of your paper. We have admired the way you have dealt with the question. If the course you now suggest had been followed, the course of political history in at least one of the Prairie Provinces would have been entirely different.

—*A Provincial Prime Minister*

In my opinion, the leaders of business in Canada have come to value your paper more highly than ever before, because they have found in it a comprehensive and reliable summary and appraisal of all that affects the business life of the Dominion.

—*A Public Utility President*

I enjoyed very much Floyd Chalmers's articles in this week's Post. Again, as I have often said, The Post took us behind the scenes to give us "the news behind the news."

—*A Newspaper Publisher*

... must not deny ... duty of writing you concerning the leadership you establish in your article, "England Shows Us Road to National Greatness," and in your editorial, "England Shows Us the Way." The young manhood of Canada, the political leaders in Canada, and men of affairs of all types, have needed a voice such as yours to stimulate them towards the effort which should be made to play our part in the world of human endeavour.

—*A Financier*